

Denton County
Juli Luke
County Clerk

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RESTRICTIONS

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STATE OF TEXAS
COUNTY OF DENTON

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Denton County, Texas.

Juli Luke
County Clerk
Denton County, TX

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS LICENSE NUMBER.

**AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR FRISCO/PARK WEST PROPERTY OWNER'S ASSOCIATION, INC.**

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR FRISCO/PARK WEST (this "Declaration") is made and entered into as of the 22nd day of May, 2018, by PRIME DEVELOPMENT PARTNERS, LLC, a Nevada limited liability company ("Declarant").

WHEREAS, Declarant is the "Declarant" under that certain Declaration of Covenants, Conditions and Restrictions filed of record December 29, 2015 as evidenced by Denton County Document Number 2015-148241 and that certain document of Amendment to Declaration of Covenants, Conditions and Restrictions filed of record September 25th, 2017 as evidenced by Denton County Document Number 2017-118202.

WHEREAS, Declarant is the owner of three certain tracts of real property located in Frisco, Denton County, Texas, more particularly described as Parcel A, Parcel B and Parcel C on Exhibit "A" attached hereto and made a part hereof for all purposes by reference; and

WHEREAS, the property described on Exhibit "A" includes the Common Area Tract; and

WHEREAS, Declarant has devised a general plan for the Parcels as a whole, with specific provisions for particular parts and parcels of the Parcels; and

WHEREAS, the aforesaid general plan provides a common scheme of development designed to protect and safeguard the Parcels over a long period of time;

WHEREAS, Declarant declares that all of the Parcels shall be held, sold and conveyed subject to the following easements, restrictions, covenants, conditions, reservations, and liens, which are for the purpose of protecting the value and desirability of, and which shall run with, the Parcels and which shall be binding on all parties having any right, title or interest in the Parcels or any part thereof, and their respective heirs, successors and assigns, and which shall inure to the benefit of each Owner (as defined below) from time to time of the Parcels or any part thereof.

NOW THEREFORE, Declarant hereby combines, and amends, restates and supersedes that certain Declaration of Covenants, Conditions and Restrictions filed of record December 29, 2015, and as evidenced by Denton County Document Number 2015-148241 and that certain document of Amendment to Declaration of Covenants, Conditions and Restrictions filed of record September 25th, 2017, and as evidenced by Denton County Document Number 2017-118202 and hereby adopts, establishes and imposes the following covenants, conditions,

restrictions, easements, liens and charges set forth in this Declaration upon the Property/Parcels and declares that the Property/Parcels and all portions thereof are and shall be held, transferred, assigned, sold, conveyed and occupied subject to all such covenants, conditions, restrictions, easements, liens and charges set forth in this Declaration.

ARTICLE DEFINITIONS

Section 1. Defined Terms. Unless otherwise defined in this Declaration, the following words when used in this Declaration (unless context shall otherwise clearly indicate or prohibit) shall have the meanings assigned to it.

Section 2. "Parcels" shall mean and refer to those three certain tracts of real property located in the City of Frisco, Denton County, Texas and more particularly described as Parcel A, Parcel B and Parcel C on Exhibit "A" attached hereto and made a part hereof for all purposes by reference. "Parcel" shall mean and refer to one of three such tracts. A "Parcel" shall include the Land and all improvements thereto, whether now existing or hereafter placed thereon.

(a) Parcel A contains a Common Area Tract consisting of approximately 5.27 acres generally shown as Block D, Lot 22 "Open Space Drainage and Detention Hike and Bike Trail Easement" which shall be conveyed to the Association as stated in Article III, Section 2 of this Declaration.

Section 3. "Owner" shall mean and refer to every person or entity who is a record owner of a fee or undivided fee interest in any Lot, including contract sellers and Declarant. If a Lot is owned in undivided interests by more than one person or entity, each owner shall be an Owner for purposes of this Declaration. A person or entity that owns only a lien or other similar interest in a Lot as security for performance of an obligation is not an Owner with respect to that Lot.

Section 4. "Common Area" shall mean and refer to the Common Area Tract, consisting of approximately 5.27 acres generally shown as Block D, Lot 22 "Open Space Drainage and Detention Hike and Bike Trail" on the Final Plat of Frisco/Park West, an addition to the City of Frisco, Denton County, Texas, according to the map and plat thereof recorded under Clerk's file No. 2018-141, Plat Records, Denton County Texas more particularly depicted in Exhibit B hereof; together with any facilities and improvements thereon which have been conveyed or are hereafter conveyed to the Association for the common use of Members. Common Area(s) located in the Property are to serve and benefit all Owners of Lots within the Subdivision and all Members of the Association, and which are to be dedicated and/or conveyed to the Association to be maintained by the Association. The Declarant shall at all times have and retain the right, but without obligation whatsoever, to effect minor redesigns or reconfigurations of the Common Area(s) located on such Declarant's portion of the Property and to execute any open space declarations applicable to such Common Area(s) which may be permitted in order to reduce property taxes, and to take whatever steps as may be appropriate to lawfully avoid or minimize the imposition of federal and state ad valorem and/or income taxes. **All Common Area(s) shall be maintained by the Association whether or not owned in fee by the Association.**

Section 5. "Lot" means any residential lot shown as such on the Plat and more particularly described as **Parcel A** which is or is intended to be improved with a detached Single-Family Dwelling. Some portions of the Common Area may be platted as one or more "lots" on the Plat, however, such Common Area lots, if applicable, are expressly excluded from the definition of "Lot" as used herein.

Section 6. "Declarant" means PRIME DEVELOPMENT PARTNERS, LLC, a Nevada limited liability company ("Declarant"), and its successors in interest to the Land through (i) a voluntary disposition of all (or substantially all) of the assets of such limited liability company and/or the voluntary disposition of all (or substantially all) of the right, title and interest of the limited liability company in and to the Land where such voluntary disposition of right, title and interest expressly provides for the transfer and assignment of the rights of such limited liability company as Declarant as provided in this Declaration, or (ii) an involuntary disposition of all or any part of the Land owned by Declarant prior to completion of development of the Land as a residential community. No person or entity purchasing one or more Lots from such limited liability company in the ordinary course of business shall be considered as "Declarant".

Section 7. "Member" shall mean any Owner of a Parcel, a Lot or a part of a Parcel, other than the Common Area.

Section 8. "Membership" is defined in Article IV.

Section 9. "Person" or "person" shall mean an individual, corporation, partnership, association, trust, limited liability company or other legal entity or any combination thereof,

Section 10 "Approval" or "Consent" (or words having similar intent) shall mean securing the prior written approval or consent as required herein before performing or contracting to be performed any addition or modification for which such approval or consent is required.

Section 11 "Articles of Incorporation" shall mean the Certificate of Formation of the Association, filed with the Secretary of State of Texas on November 16, 2015, as the same may from time to time be amended in accordance with this Declaration.

Section 12. "Assessment" shall mean and refer to a Monthly Assessment or Special Assessment levied, charged or assessed against an Owner and/or his Parcel or Lot in accordance with the provisions of this Declaration.

Section 13. "Board" shall mean and refer to the Board of Directors of the Association. During the Declarant Control Period Declarant reserves the sole right to appoint and remove Members of the Board none of which need be an Owner or Member of the Association. From and after the date on which Declarant no longer owns any portion of property within the subdivision or after the Declarant Control Period ends the Board shall consist of a Property Owners Association Board (the "POA Board") which shall consist of not less than three (3) nor more than five (5) Owners from Parcel A, Parcel B, and Parcel C

or any combination thereof. At the sole discretion of the Declarant during the Declarant Control Period and thereafter the POA Board, the POA Board may create a subordinate Board or Committee (the "HOA Board/Committee") which shall consist solely of Owners of Parcel A single-family lots who shall operate under the instruction and jurisdiction of the POA Board. Members of the HOA Board/Committee shall be appointed by the POA Board and serve at the sole discretion of the POA Board and shall carry out the day to day business of the Association under the guidance and direction of the POA Board. A Member of the POA Board may serve on the HOA Board/Committee so long as that Member is an Owner of a single-family Lot located within Parcel A. The POA Board shall establish by Resolution an outline of the duties, rights, and responsibilities by which the HOA Board/Committee shall conduct business.

Section 14. "Class" is defined in Article IV.

Section 15. "Common Funds" shall mean and refer to all funds collected or received by the Association, including, but not limited to, the proceeds from insurance carried or obtained by the Association which are payable to or received by the Association as trustees for the benefit of the Owners or otherwise.

Section 16. "Declaration" shall mean and refer to this Declaration as the same may be amended, changed or modified from time to time in accordance with its terms.

Section 17. "Development Plan" shall mean that certain Development Plan prepared by JBI dated February 23, 2015.

Section 18. "Improvements" shall mean and refer to all improvements now or hereafter constructed on a Parcel.

Section 19. "Manager" or "Managing Agent" means any individual, corporation, limited liability company, partnership or other entity of any kind or type whatsoever who has been engaged and designated by the Board to manage the daily affairs and operations of the Association.

Section 20. "Mortgage" shall mean and refer to any security device (including a deed of trust) encumbering all or any portion of the Parcels which secures a loan made by an entity regularly engaged in the business of making loans.

Section 21. "Mortgagee" shall mean and refer to the record owner of a beneficial interest under a Mortgage.

Section 22. "POA" shall mean the Frisco/Park West Property Owner's Association, Inc. who shall administer the provisions of this Declaration, the Bylaws, any Rules and Regulations or other governing documents or authority herein conferred upon the POA as it pertains to all Parcels.

Section 23. "HOA" if used as a reference in this Declaration shall mean or refer to the Frisco/Park West single-family division of the development situated within Parcel A.

Section 24. "ACC" shall mean the Architectural Control Committee to be formed in concert with the Property Owners Association and more particularly the single-family division located within Parcel A. During the Declarant Control Period, the Declarant shall have the sole right to appoint and remove Members of the Architectural Control Committee. NO construction or installation of any improvements of any kind shall be allowed within the property described as detached single-family Lots and as may be outlined in Exhibit C without prior the approval of the ACC.

Section 25. "Declarant Control Period" means that period of time during which Declarant controls the operation of this Association. The duration of the Declarant Control Period will be from the date this Declaration is recorded for a maximum period as may be stipulated in the Declaration or in the absence of such stipulation, a period which shall not be less than:

- (1) fifty (50) years from date this Declaration is recorded, or
- (2) the date title to all Lots and/or Parcels and all other portions of the Property has been conveyed to Owners other than Builders or Declarant.

ARTICLE II TEMPORARY USE RIGHTS, CONSTRUCTION OF IMPROVEMENTS AND USE OF LOTS

Section 1. Use by Declarant and Association. Subject to Section 2 of this Article the Declarant expressly reserves unto itself for its use and the use of its agents, contractors and employees, the right to make such temporary use of the Common Area and the ten feet (10') of each Parcel bordering the Common Area as is reasonably necessary to facilitate and complete the improvement of the Common Area, including the construction, excavation, grading and/or completion of any facilities, storage facilities and/or recreational facilities to be constructed in or as part of the Common Area.

Section 2. Termination. The rights under Section 1 of this Article II will in all events expire and terminate on 1) December 30, 2017, or 2) upon termination of the Declarant Control Period should the Declarant Control Period still be active as of the date mentioned herein, the Declarant Control Period shall be extended until last Lot / Parcel sold.

Section 3. Residential Use. The Property located within Parcel A shall be used for single-family residential purposes and home office only. No building or other structure shall be erected, altered, placed or permitted to remain on any Lot other than one (1) detached single-family residence per Lot, which residence may not exceed two and one-half (2-1/2) stories in height, and a private garage as provided in the Design Guidelines. Any building or structure to be placed or constructed on a Lot is subject to approval in writing by the Architectural Control Committee and any applicable City of Frisco building or zoning ordinance.

Section 4. Single-Family Use/Parcel A. Each residence may be occupied only by persons living and cooking together as a single housekeeping unit, together with any household employees. Except for families consisting of persons related by blood, adoption, or marriage, no more than two persons per bedroom may occupy the same dwelling on a regular and consistent basis.

Section 4.1.1 Leasing/Parcel A. Homeowners who rent or lease their residence are required to execute a written lease agreement, signed by the tenant and a copy provided to the Association prior to the tenant's possession of the residence. The lease shall contain, at a minimum, the following:

- a. Term of Lease. Initial term of the lease shall not be less than one (1) year.
- b. Entire Residence. The property leased includes the entire residence.
- c. Single Family. Lease is restricted to single family per Section 4 above. Owner shall provide to the Association or its Managing Agent the names and contact information for tenants.
- d. Abide by Rules. The Owner must make available to the tenant copies of the CCR's, Rules and Regulations and all amendments thereto. Tenant must agree to abide by all Association rules and must acknowledge that failure to do so may constitute a default under the lease terms and agreement. Owner must obtain a signed acknowledgment from the tenant that this section of the CCR's has been explained in detail.
- e. No assignment or sub leasing is allowed.
- f. Tenant must carry renters' insurance.
- g. Owner shall be responsible at all times for his tenant and the maintenance and upkeep of the home and lot. Should the tenant violate a rule and a violation notice is sent, the Owner shall be responsible for the violation and ensuring it is immediately abated. Should a fine for non-compliance result, the Owner shall be responsible for payment of the fine to the Association including any other monetary expenses the Association may incur for the enforcement and abatement of a violation. The Owner shall ensure the tenant complies with the CCR's, and all rules and regulations.

Section 5. Uses Specifically Prohibited. Unless otherwise specifically noted in this Section, Uses Specifically Prohibited shall apply to Single-Family Owners in Parcel A notwithstanding, should any of the prohibited uses be noted in any residential like structures to be constructed in Parcel B or Parcel C the Declarant and thereafter the Board of Directors shall have the right to notice the Owner or Owners of the Parcel or structure and request compliance as outlined in this Section.

(a) No temporary dwelling, shop, storage building, trailer or mobile home of any kind or any improvement of a temporary character shall be permitted on any Lot without the express written consent of the Declarant or the Architectural Control Committee. At the Declarant's or Board of Directors sole discretion, the following may be allowed only upon written consent: (i) children's playhouses, dog houses, small greenhouses not visible or unattractive to adjoining Lots or Residences, small gazebos, and low-rise buildings for storage of lawn maintenance equipment, which may be placed on a Lot **subject to approval of the Architectural Control Committee**. Unless otherwise approved in writing by the Declarant or Architectural Control Committee no structure shall extend higher than two feet (2') over the top of the fence line. If no fence or wrought iron fencing exists, the height or allowance of a structure to be allowed is at the sole discretion of the Declarant or the Architectural Control Committee. The Builder or contractor may have temporary improvements (such as a sales office and/or construction trailer) on a given Lot during construction of the residence on that Lot or on a different Lot as agreed to between the Builder or contractor and Declarant and/or as otherwise set out in the Design Guidelines. No building material of any kind or character shall be placed or stored upon the Property until the Owner thereof is ready to commence construction of improvements, and then such material shall be placed within the property lines of the Lot upon which the improvements are to be erected.

Portable basketball goals shall be allowed with written approval of the Architectural Control Committee only. Permanent basketball goals of any kind are prohibited without the express written permission of the Architectural Control Committee. Portable basketball goals may be placed on the driveway only when in use; no portable basketball goal or any other sports play equipment such as but, not limited to soccer, skate board ramps, goals or nets of any kind, and other play equipment of any type or kind may be placed or played in the street, on a sidewalk, or between the residence and street. Portable basketball goals must be stored out of public view when not in use and must be kept in good repair at all times. Storage of the basketball goal may be allowed to the side of the home so long as the goal is laying on its side. Written permission is required to store a basketball goal to the side of the home. No unsightly weights such as tires, sand bags, rocks, or other materials may be used. The Declarant, the Board of Directors, or the Architectural Control Committee reserves the right to require the removal of a portable basketball goal or any other play equipment when use of same is in direct violation of this Declaration, Bylaws, or Rules and Regulations or if after written notice the Owner fails or refuses to make the required changes, improvements or repairs as requested.

(b) No animals or livestock of any kind including but, not limited to chickens, or any other fowl, pigs, potbellied pigs, cows, horses, snakes, rats or any other rodent or ferrets shall be raised, bred or kept on the Property for pets, commercial purposes or for food. Dogs, cats or other household pets may be kept for the purpose of providing companionship for the private family; however, those pets which are permitted to roam free, or, in the sole discretion of the Board, constitute a threat or nuisance to the occupants of other Lots shall be removed upon request of the Board. If the pet owner fails to honor such request, the Board may, at its sole discretion, remove or otherwise provide for the removal of the animal. Notwithstanding anything contained herein to the contrary, the Board in its sole discretion and without incurring any further duty or obligation to owners and occupants within the Property may decide to take no action and refer complaining parties to the appropriate municipal or governmental authorities for handling and final disposition. Pets shall be kept on a leash or otherwise confined inside a fenced area whenever outside the dwelling. **PETS SHALL NOT BE ALLOWED TO BARK OR HOWL.** Pets shall be registered, licensed and inoculated as required by law and must be properly tagged for identification. It is the Owner's responsibility to keep the front of their Lot clean and free of pet

debris and to pick up and properly dispose of their pet's waste wherever deposited. Notwithstanding anything seemingly herein to the contrary, no more than three (3) household pets will be permitted on each Lot.

(c) No Lot or other area on the Property shall be used as a dumping ground for rubbish or a site for the accumulation of unsightly materials of any kind, including, without limitation broken or rusty equipment, disassembled or inoperative cars, other vehicles or discarded appliances and furniture. Trash, garbage or other waste shall be kept in sanitary containers. All incinerators or other equipment for the storage or other disposal of such material shall be kept in clean and sanitary condition. Materials incident to construction of improvements may be stored on Lots during construction so long as construction progresses without undue delay.

(d) No air-conditioning apparatus shall be installed on the ground in front of a residence. No air-conditioning apparatus shall be attached to any wall or window of a residence. All air-conditioning equipment must be installed in the rear yard, side yard or screened in a manner so as not to be seen.

(e) The erection, construction, placement or installation of any television, radio or other electronic tower, aerial antenna, antenna, satellite dish or device of any type for the reception or transmission of radio or television broadcast signals or other means of communication upon a Lot or upon any improvement thereon is prohibited, except that this prohibition shall not apply to those antennae specifically covered by 47 C.F.R. Part 1, Subpart S, Section 1.4000 (or any successor provision) promulgated under the Telecommunications Act of 1996, as amended from time to time. The Board shall be empowered to adopt rules governing the types of antennae and satellite dishes that are permissible hereunder and establishing reasonable, non-discriminatory restrictions relating to safety, location and maintenance of antennae and satellite dishes.

To the extent that reception of an acceptable signal would not be impaired or the cost of installation would not be unreasonably increased, an antenna permissible pursuant to the Declaration or the rules of the Association may only be installed in a side or rear yard location, not visible from the street or neighboring property, and integrated with the dwelling and surrounding landscape. Antennae shall be installed in compliance with all state and local laws and regulations, including zoning, land-use and building regulations.

(f) No Lot or improvement thereon shall be used for commercial or manufacturing purposes of any kind other than a small home office. Nothing in this subparagraph shall prohibit a builder's use of a residence as a sales office until such builder's last residence on the Property is sold and closed. Nothing in this subparagraph shall prohibit an Owner's use of a residence for quiet, inoffensive activities such as a small home office, tutoring or giving lessons such as art or music, so long as such activities are consistent with the residential character of the Property, do not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of others within the Property, as determined in the Board's discretion, and do not materially increase the number of cars parked on the street.

(g) No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between three feet (3') and six feet (6') above the roadway shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street right-of-way lines and a line connecting them at points ten feet (10') from the intersection of the street right-of-way lines, or, in the case of a rounded property corner, from the intersection of the street right-of-way lines as extended. The same sight-line limitations shall apply on any Lot within ten (10) feet from the intersection of a street right-of-way line with the edge of a private driveway or alley pavement. No tree shall be permitted to remain within such distance of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines. Generally, height limitations for hedges or shrubs are not monitored when located in the back-yard lot of a residence notwithstanding, if a hedge, shrub, or tree is located within a back-yard lot and its location obstructs sight lines the Declarant or Board of Directors may require the trimming or removal of the hedge, shrub, or tree if it is deemed necessary.

(h) Except for children's playhouses, dog houses, greenhouses, gazebos and buildings for storage of lawn maintenance equipment which specifically conform with the Design Guidelines and the requirements of Section 2.5 (a) herein, no building previously constructed elsewhere shall be moved onto any Lot, it being the intention that only new construction be placed and erected thereon.

(i) No sign of any kind shall be displayed to the public view on any Lot, except: (i) political signs which may be placed on the Lot no earlier than six (6) weeks prior to an election and which must be removed within two (2) weeks after the election for which such sign is displayed; (ii) one (1) professional security service sign of not more than one square foot; (iii) upon prior written approval of the ACC, one (1) sign of not more than five square feet advertising the property for rent or sale during any period that the Lot actually is for rent or sale; or (iv) signs used by a Builder to advertise the Property during the construction and sales period, each of which shall, in any event, comply with all statutes, laws or ordinances governing same. The Board of Directors or its agents shall have the right to remove any sign, billboard or other advertising structure that does not comply with the above, and in so doing shall not be subject to any liability for trespass or otherwise in connection with such removal.

(j) The drying of clothes in public view is prohibited. Clothes lines are prohibited.

(k) Wood used for fireplace, barbeque, or other use must be stacked neatly and screened from public view. The Owner is responsible for ensuring that such wood stack is kept free of rodents.

(l) No Owner shall perform, fail to perform, or permit anything to be done or not done on such Owner's Lot which would violate any laws, statutes, ordinances or regulations of any kind or character. An Owner's lot and residence must be kept in good repair at all times.

**ARTICLE III
PROPERTY RIGHTS / ARCHITECTURAL CONTROL**

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a non-exclusive right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to the Parcel or part of a Parcel owned by the Owner. Residents and guests shall observe the quiet hours established by the City of Frisco. A violation of certain easements of enjoyment or failure to pay assessments when due subject Owners and their Lots or Parcels to the following:

(a) The right of the Association to suspend the right to use of the recreational facilities by an Owner, any tenant, occupant, or his/her attests, for any period during which any assessment against the Owner's Parcel or Lot remains unpaid and/or for any period where a violation for non-compliance exists.

(b) The right of the Board of Directors of the Association to dedicate an easement on all or any part of the Common Area to any public agency, authority or utility.

(c) The right of the Association to make such reasonable rules and regulations regarding the use of the Common Area and facilities located thereon by the Members and other persons entitled to such use.

(d) The right of the Association to borrow money for the purpose of improving the Common Area and facilities, constructing new facilities thereon or performing the maintenance obligations and providing the services set forth in Article VI hereof, and in connection therewith, to mortgage the Common Area or portions thereof; provided, however, that after the Common Area has been conveyed to the Association by Declarant, prior to placing any mortgage on the Common Area or portions thereof or any improvements located or to be located thereon in excess of \$10,000.00, the Association shall first obtain the consent of at least a majority of each Class of Members.

Section 2. Development and Conveyance of Common Area. Declarant shall have the right, but not the obligation, at its expense, to construct improvements on the Common Area at any time, in accordance with the Development Plan. The Declarant may convey all or part of the Common Area, together with any improvements thereon, to the Association at any time; provided, however, that the Common Area and any improvements thereon shall be conveyed to the Association not later than December 30, 2017, or at Declarant's sole discretion, at the end of the Declarant Control Period. All Common Areas shall be in good condition and repair, and free of encumbrances and adverse claims, including any outstanding mechanics' liens, mortgages, deeds of trust or security agreements. The conveyance of the Common Area to the Association by Declarant shall be by special warranty deed, subject only to matters of record (other than mechanics' liens, mortgages, deeds of trust or security agreements) existing as of the date of this Declaration.

Regardless of whether the Common Areas have been conveyed to the Association, the Association will nonetheless be subject to this Declaration and all of the rights and easements of the Owners as provided in this Declaration. The Association shall provide all maintenance needs

for the Common Area regardless of whether they have been conveyed or no. Should the Declarant provide at its expense, maintenance or repair to the Common Areas after the initial construction the Declarant shall have the right, but not the obligation, to claim expenses as a loan or an accounts payable debt against the Association and the Association shall reimburse Declarant for all expenses incurred for the upkeep, maintenance, or repairs made to the Common Area.

Section 3. Architectural Control. This Section will pertain to the Single-Family Lots located within Parcel A. The Declarant has the sole right to determine the architectural, occupancy and use standards for any and all structures or improvements to be located on Parcel B or Parcel C.

3.1 Review Authority

(a) **General.** Declarant and the Association will, in all likelihood engage the services of third-party professionals which may, but are under no obligation, to include architects, engineers, or other persons to perform and administer the submission, review and inspection process which may be required or necessary under this Article. Declarant reserves the right to implement and enforce additional application, permitting, review, testing and inspection requirements and procedures not contained herein relating to national or uniform codes pertaining to building, electrical, plumbing and any other aspect of construction or development as deemed necessary by Declarant.

(b) **Declarant.** Declarant shall have exclusive authority to administer, review and act upon all applications for architectural and other improvements within the Property until all planned Lots have been conveyed to persons other than Declarant or a Builder and have been improved with a dwelling for which a certificate of occupancy has been issued, unless Declarant earlier terminates its rights in a recorded instrument. Declarant may designate or engage one or more persons or entities to act on its behalf with respect to some or all matters coming within the purview of this Article III. In reviewing and acting upon any request for approval, Declarant or its designee act solely in Declarant's interest and owe no duty to any other person. Declarant is not required to hold meetings or keep minutes relating to its review under this Article.

Declarant may from time to time delegate or assign all or any portion of its rights under this Article to any other person, entity or committee, including the Architectural Control Committee. Any such delegation shall be in writing, shall specify the delegated responsibilities, and shall be subject to (i) Declarant's right to revoke such delegation at any time and reassume its prior jurisdiction, and (ii) Declarant's right to veto any decision which it determines, in its discretion, to be inappropriate or inadvisable for any reason. So long as Declarant has any rights under this Article, the jurisdiction of other entities shall be limited to such matters as Declarant specifically delegates.

(c) **Architectural Control Committee.** Upon Declarant's delegation or upon expiration or termination of Declarant's rights under this Article, the Association, acting through the Architectural Control Committee, shall assume jurisdiction over architectural matters. The Architectural Control Committee shall consist of at least three persons. Members of the Architectural Control Committee need not be Members of the Association or representatives of

Members, and may, but need not, include architects, engineers, or similar professionals, who may be compensated in such manner and amount, if any, as the Board may establish. The Architectural Control Committee members shall be designated, shall serve, and may be removed and replaced after the Declarant Control Period at the Board's discretion.

For so long as Declarant owns any portion of the Property (and unless the Declarant notifies the Architectural Control Committee in writing to the contrary), the Architectural Control Committee shall notify Declarant in writing, no less than ten (10) business days prior to communicating any action (*i.e.*, approval, partial approval, or disapproval) it intends to take under this Article. A copy of the application and any additional information that Declarant may require shall accompany the notice. During such time, Declarant shall have the right, in its sole and absolute discretion, to veto any Architectural Control Committee action; provided, Declarant's right to veto must be exercised within ten (10) business days after it receives notice of the Architectural Control Committee's proposed action. The party submitting the plans for approval shall not be notified of the Architectural Control Committee's proposed action until after Declarant's right to veto has expired.

The Board may create and appoint subcommittees of the Architectural Control Committee. Subcommittees may be established to preside over particular areas of review (*e.g.*, landscape plans) and shall be governed by procedures the Board or the Architectural Control Committee may establish. Any subcommittee's actions are subject to review and approval by Declarant, for as long as Declarant may review the Architectural Control Subcommittee's decisions, and the Architectural Control Committee. Notwithstanding the above, neither the Architectural Control Committee nor Declarant shall be obligated to review all actions of any subcommittee, nor shall the failure to take action in any instance not be a waiver of the right to act in the future. Unless and until such time as Declarant delegates any of its reserved rights to the Architectural Control Committee or Declarant's rights under this Article expire or terminate, the Association shall have no jurisdiction over architectural matters.

(d) Reviewer. The entity having jurisdiction in a particular case, whether Declarant or its designee or the Architectural Control Committee Architectural Control Committee, shall be referred to as the "Reviewer".

(e) Fees; Assistance. The Association may charge a fee for review of applications and shall be entitled to pay out as a common expense fees charged for the processing and review of applications. The Reviewer may establish and charge reasonable fees for its review of applications and shall require that such fees be paid in advance. If such fees or charges, including those set forth below, are not paid in advance, the Reviewer shall have no obligation whatsoever to review any such related application. Such fees may include the reasonable costs incurred in having any application reviewed by architects, engineers, or other professionals. The Board may include the compensation of such persons in the Association's annual operating budget.

Section 4.1 Review Requirements

(a) No building, wall, pool or other structure of any type shall be commenced, erected, installed, placed, or substantially altered on any Lot, nor shall any exterior painting (other than repainting a structure the same or similar color) of, exterior addition to, or substantial alteration of, such items be made until all plans and specifications and a plot plan have been submitted to and approved in writing by the Reviewer.

(b) The Reviewer is authorized and empowered to consider and review any and all aspects of construction and landscaping which may, in the reasonable opinion of the Reviewer, adversely affect the living enjoyment of one (1) or more Owners or the general value of the Property.

(c) In reviewing each submission, the Reviewer may consider any factors it deems relevant, including, without limitation, harmony of the proposed exterior design with surrounding structures and environment. **Decisions may be based on purely aesthetic considerations.** Each Owner acknowledges that aesthetic determinations are purely subjective and that opinions may vary as to the desirability and/or attractiveness of particular improvements. **The Reviewer shall have the sole discretion to make final, conclusive, and binding determinations on matters of aesthetic judgment and such determinations are not subject to judicial review so long as they are made in good faith and in accordance with the required procedures.**

Section 5.1 Procedure for Approval.

(a) PRIOR TO THE COMMENCEMENT OF ANY CONSTRUCTION BY ANY PERSON OR ENTITY, THE BUILDER SHALL OBTAIN FROM THE REVIEWER AN APPROVAL AND SHALL PAY, IN ADVANCE, ANY RELATED INSPECTION FEE AND FEE OWING OR TO BE OWED TO THE REVIEWER. THIS REQUIREMENT NOT ONLY APPLIES TO ORIGINAL CONSTRUCTION BUT TO POOL INSTALLATIONS, MODIFICATIONS OR ADDITIONS TO EXISTING STRUCTURES OF IMPROVEMENTS OR THE BUILDING OR ADDITION OF NEW STRUCTURES. FAILURE TO OBTAIN SUCH APPROVAL OR PAY SUCH FEES PRIOR TO INITIATION OF CONSTRUCTION SHALL BE CAUSE FOR THE REVIEWER OR THE ASSOCIATION TO REQUEST AND OBTAIN EMERGENCY TEMPORARY RELIEF TO RESTRAIN ALL ASPECTS OF CONSTRUCTION. FEES ARE NON-REFUNDABLE UNLESS BUILDER OR SUBMITTER CANCELS SUBMISSION WITHIN FIVE (5) DAYS OF RECEIPT BY REVIEWER.

(b) In addition to the foregoing requirement, final plans and specifications shall be submitted in duplicate by mail, or hand delivered to the Reviewer. The Reviewer may, but has no obligation, to accept copies of certain applications via e-mail notwithstanding at least one (1) original signed copy of the application must be delivered by hand or U.S. mail to the Reviewer prior to any final review or approval being issued. Declarant or Association is not responsible

for lost or delayed mail. The plans and specifications shall show the nature, kind, shape, height, materials and location of all landscaping and improvements. The application shall specify in writing any requested variances from the requirements set forth in this Declaration, the Design Guidelines or any Community-Wide Standard. The Reviewer is authorized to request the submission of samples of proposed construction materials and such other information as they reasonably deem necessary to make their determination. At such time as the plans and specifications meet the approval of the Reviewer, one complete set of plans and specifications will be retained by the Association, for up to three (3) years only, and the other complete set of plans shall be marked "Approved", signed by a representative of the Reviewer and returned to the Lot Owner or his designated representative. If disapproved by the Reviewer, one set of such plans shall be returned marked "Disapproved" and shall be accompanied by a reasonable statement of the reasons for disapproval, which statement shall be signed by a representative of the Reviewer. Any modification of the approved set of plans and specifications must again be submitted to the Reviewer for its approval. The Reviewer's approval or disapproval, as required herein, shall be in writing. Any reliance upon a verbal approval of any plans by the Reviewer shall be wholly unjustified, at the risk of the Lot Owner and subject to any subsequent or otherwise conflicting written response by the Reviewer.

Reviewer shall approve or disapprove new construction plans from a builder within ten (10) business days excluding weekends and holidays whenever possible. All other submissions shall be approved or disapproved within thirty (30) business days excluding weekends and holidays after the date of submission. If Reviewer fails to return a decision on submissions other than Builders new construction submissions, the application shall be deemed to have been denied. If Reviewer fails to return a decision on Builders new construction plan within ten (10) business days, the Builder must contact the Reviewer prior to beginning any construction and may not assume automatic approval without the Reviewer's written approval. The Builder shall be held liable for all compliance requirements with this Declaration, Design Guidelines, and all City Building and Zoning Ordinances. Any removal or tear down of unauthorized materials, structures, fixtures, or otherwise will be at the Builder's or Owner's sole cost and expense. Any Builder who is constructing residences on multiple Lots shall have the option of submitting a master set of final plans and specifications for all of the residences it intends to construct within the Property to the Reviewer in accordance with the provisions of this paragraph. Once the master set of plans has been approved, the Builder shall be allowed to construct residences in accordance with such approved plans and no further submittals shall be required unless material deviations have been made to such approved plans. A plot plan providing the lot, block, and physical address will be required.

The Reviewer may, but is not obligated to, permit or require that plans be submitted or considered in stages, in which case, a final decision shall not be required until after the final, required submission stage.

(c) As part of any approval, the Reviewer may require that construction in accordance with approved plans commence within a specified time period. If construction does not commence within the required period, the approval shall expire and the Owner must reapply for approval before commencing any activities. Once commenced, construction must be diligently

pursued to completion. All construction work shall be completed within one (1) year of commencement unless otherwise specified in the notice of approval or the Design Guidelines, or unless the Reviewer, in its discretion, grants an extension in writing. If approved work is not completed within the required time, it shall be in violation of this Article and shall be subject to enforcement action.

Also, as a part of the review process, the Reviewer may require that the construction of any improvement be inspected on a periodic basis prior to completion for compliance with the plans, codes adopted by the Declarant and other matters relating to the quality or method of construction. The Association may conduct such inspections or, in the alternative, it may contract with third parties for such purposes. The Owner on whose Lot the construction is taking place shall be responsible for the payment of costs relating to any such inspection.

Section 6.1 Standards.

(a) The Reviewer shall have sole discretion with respect to taste, design and all standards specified herein. One objective of the Reviewer is to prevent unusual, radical, curious, odd, bizarre, peculiar or irregular structures from being built on the Property. The Reviewer shall have the authority to interpret and amend the Design Guidelines, subject to Declarant's approval for so long as Declarant or any Builder owns any portion of the Property and, thereafter, subject to the approval of the Board. The Reviewer may from time to time publish and promulgate bulletins regarding architectural standards, which shall be fair, reasonable and uniformly applied and shall carry forward the spirit and intention of this Declaration.

Section 7.1 Requests for Variance.

(a) Upon submission of a written narrative request for same, the Reviewer may, from time to time, in its sole discretion, permit Owners and Builders to construct, erect or install improvements which are in variance from the requirements of this Declaration or which may be contained in the Design Guidelines. In any case, however, such variances shall be in basic conformity and shall blend effectively with the general architectural style and design of the community. No member of the Architectural Control Committee or the Board, or the Association or Declarant shall be liable to any Owner or other person claiming by, through, or on behalf of any Owner, for any claims, causes of action, or damages arising out of the granting or denial of, or other action or failure to act upon, any variance request by any Owner or any person acting for or on behalf of any Owner. Each request for a variance submitted hereunder shall be reviewed separately and apart from other such requests and the grant of a variance to any Owner shall not constitute a waiver of the Reviewer's right to strictly enforce the Declaration, the Design Guidelines or the against any other Owner. Each such written request must identify and set forth in narrative detail the specific restriction or standard from which a variance is sought and describe in complete detail the exact nature of the variance sought. Any grant of a variance by the Reviewer must be in writing and must identify in narrative detail both the standard from which a variance is being sought and the specific variance being granted.

Section 8.1 Liability of Reviewer.

(a) Neither Declarant, the Board of Directors, the Architectural Control Committee, nor any of their respective members, officers, employees, designees, contractors, administrators, inspectors and agents, shall have any liability whatsoever for decisions made in accordance with this Article so long as such decisions are made in good faith and are not arbitrary or capricious. The plans or the site plan submitted to the Reviewer shall be the responsibility of the Owner of the Lot to which the improvements relate, and the Reviewer shall have no obligation to check for errors in or omissions from any such plans, or to check for such plans' compliance with the general provisions of this Declaration, or any codes, ordinances, regulations or other laws, whether statutory or not, and whether the same relate to Lot lines, building lines, easements or any other issue. Review and approval of any plans pursuant to this Article may be based on purely aesthetic considerations. The Reviewer is not responsible for the structural integrity or soundness of approved construction or modifications or for drainage issues, or for compliance with building codes and other governmental requirements, or for ensuring that every dwelling is of comparable quality, value, or size, of similar design, or aesthetically pleasing or otherwise acceptable to other Owners. The Architectural Control Committee may, but is not obligated, to make periodic inspections of the construction site.

THE ASSOCIATION HEREBY UNCONDITIONALLY AND PERPETUALLY INDEMNIFIES AND HOLDS DECLARANT, THE BOARD, THE ARCHITECTURAL CONTROL COMMITTEE, AND THEIR RESPECTIVE MEMBERS, EMPLOYEES, DESIGNEES, ADMINISTRATORS, INSPECTORS, CONTRACTORS, AND AGENTS HARMLESS FROM AND AGAINST ANY CLAIMS, LIABILITIES, LOSS, DAMAGE, COSTS AND EXPENSES, INCLUDING BUT NOT LIMITED TO ATTORNEYS' FEES, IN CONNECTION WITH OR ARISING OUT OF ANY ACTIONS OR INACTIONS TAKEN HEREUNDER BY THE REVIEWER, IRRESPECTIVE OF WHETHER OR NOT THE REVIEWER, ITS EMPLOYEES, CONTRACTORS, AGENTS AND OTHER INDIVIDUALS OR ENTITIES TO OR EMPLOYED BY THE REVIEWER ACTED NEGLIGENTLY OR WITH WILLFUL MISCONDUCT.

Section 9.1 Special Rights of Declarant.

(a) Notwithstanding anything to the contrary contained herein, any Lot or Parcel owned by Declarant or its successor or assign, shall not be subject to the provisions of the Architectural Control as outlined in this Article III and Declarant shall not be required to submit plans and specifications, etc. to the Architectural Control Committee nor obtain the consent, permission or approval of the Architectural Control Committee for the matters otherwise required pursuant to this Article III, and the consent, permission or approval of the Architectural Control Committee shall be deemed given for plans and specifications, plot plans and the like to be used by Declarant, or Declarant's assigns, in the construction of any residence on any Lot owned or sold to a Builder by Declarant. **DECLARANT ALSO RETAINS SPECIAL AND UNIQUE RIGHTS AND PRIVILEGES IN ARTICLE XII THAT TAKE PRECEDENCE OVER ALL OTHER ARTICLES OR SECTIONS IN THIS DECLARATION.**

ARTICLE IV MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Each Person who is the Owner of any Lot or Parcel shall have one "Membership" in the Association for each Lot or Parcel of which he is an Owner; provided, however, that if more than one person is the Owner of a Parcel, all of such persons collectively, regardless of the number of persons who hold an interest in said Parcel, shall have one Membership (in other words, if two or more persons are the Owners of one Parcel, then such persons shall in any case own only one Membership in the Association and be entitled to cast one vote). Each Owner shall provide the Secretary of the Association the name of such Owner, his address and his telephone number. The foregoing is not intended to include persons who hold a vendor's lien, deed of trust lien or other security interest in a Parcel, until such persons become the Owner of such Parcel. The Membership shall be appurtenant to and may not be separated from record ownership of any Lot or Parcel, and the transfer of any Membership not made as part of a sale of a Lot or Parcel shall be null and void. Ownership of a Lot or Parcel shall be the sole qualification for being a Member of the Association, for the payment of Assessments, and for Voting Rights of the Members.

Section 2. Membership for Parcel A. Declarant shall have the Membership tier for Parcel A unless and until such membership is subsequently assigned or Declarant no longer owns a Lot within Parcel A. For the purpose of clarification Declarant shall maintain Declarant Voting Class and shall be entitled to five (5) votes for every Lot owned by it regardless of which Parcel the Lot and/or Parcel owned is located. Should the Parcel be platted in acres the Declarant shall be entitled to five (5) votes for every acre owned regardless of which Lot and/or Parcel it is located.

Section 3. Owner's Right to Vote.

(a) Each Owner shall have the right to exercise his/her vote, in person or by proxy. When more than one Person is the Owner of any Parcel, only one (1) vote per Lot or Parcel shall be cast regardless of how many Owners per Lot or Parcel there may be.

(b) The Frisco/Park West Development shall consist of three classes of Membership which shall exclude the voting rights of the Declarant which are referred to in this Declaration as "Declarant Voting Class." Other non-declarant voting classes are Class A, Class B, and Class C.

(c) Class A Members shall be those Owners who own a Lot in Parcel A excluding Declarant. Class A Members shall be entitled to one (1) vote per Lot owned.

(d) Class B Members shall be comprised of all Owners of Parcels located within Parcel B or any portion thereof excluding Declarant. Class B Members shall be entitled to one (1) vote for each Parcel owned notwithstanding, if Parcel ownership is based on acreage, Class B Members shall be entitled to one (1) vote for every acre owned by that Member.

(e) Class C Members shall be comprised of all Owners who own a Lot and/or Parcel within Parcel C or any portion thereof excluding Declarant. Class C Members shall be

entitled to one (1) vote for each Parcel owned notwithstanding, if Parcel ownership is based on acreage, Class C Members shall be entitled to one (1) vote for every acre owned by that Member.

(f) Declarant Voting Class shall be the votes Declarant is entitled to regardless of which Parcel the Lots and/or Parcels owned by Declarant are located. Declarant shall be entitled to five (5) votes for each Lot and/or Parcel Owned regardless of whether it is in Parcel A, Parcel B, or Parcel C notwithstanding, if Parcel ownership is based on acreage, Declarant shall be entitled to five (5) votes for each acre owned by it.

Whenever the vote of any or all Classes combined is required at a meeting or special meeting or by any other means a vote of the Members may be taken, a majority vote of those Members present in person or by proxy at a meeting shall constitute a passing vote. Should there be any need to amend the means by which votes are determined for each Class the Declarant during the Declarant Control Period shall have the sole right to amend the Classes or voting of Members notwithstanding, thereafter, the Classes and voting procedures set forth may only be amended by a majority vote of the Members comprising such class(es). Notwithstanding, no amendment shall be less than or in contradiction to the then current regulations of the Texas State Property Code and/or the Texas Business Organizations Code.

Section 4. Election of Board of Directors. Each Class of Members is entitled to run for office or serve on the Property Owners Association ("POA") Board notwithstanding, should an Owner from each Class fail to run leaving no representative for that Particular Class or Parcel the Association shall move forward with the election voting on and electing a Board of Directors from the then current candidates. Although the Lots and Owners in Parcel A are not governed by a separate Declaration, the POA Board may, at their sole discretion, choose to allow the Owners of Lots located within Parcel A to establish a Subordinate Board or Committee consisting entirely of Owners from Parcel A. Members of the Subordinate Board or Committee shall be appointed Members and shall serve at the sole discretion of the POA Board operating under their jurisdiction and direction. A Member of the Subordinate Board or Committee may be removed at any time by the POA Board with or without cause. The Subordinate Board or Committee will work in conjunction with the POA Board to oversee the day to day operations of the Single-Family Lots in Parcel A and aid in exercising Association business if the POA Board requests it or deems it appropriate. The Subordinate Board or Committee shall have no voting or veto power outside of the votes allotted to them as Class A Members of the Association.

ARTICLE V COVENANT FOR MAINTENANCE AND ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligations of Assessments. Each Owner of any Parcel or Lot, other than the Common Area, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

- (a) "Assessments" described in Article V, Sections 2 and 3; and
- (b) "Special Assessment" described in Article V, Section 4.

The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association regular assessments, special assessments, and other charges to be established and collected as provided herein. The obligation of each Owner(s) of a Lot or Parcel to pay such assessments and charges, together with interest thereon (if any) for past due payments which shall bear interest from the date they are due at the rate of fifteen percent (15%) per annum or at a rate or rates of interest, if applicable, determined and established from time to time by the Association (which rate or rates shall in no event exceed the maximum lawful rate of interest permitted under Texas law from time to time prevailing), late charges (in an amount or amounts determined and established from time to time by the Association), and costs incurred by the Association in connection with the collection of any of the foregoing assessments, charges, and other sums, or in connection with the enforcement of this provision, including without limitation reasonable attorneys' fees incurred by the Association in connection therewith, shall be a continuing charge and lien upon each such Lot as a covenant running with the land, and any such assessments, interest (if applicable), costs and other charges assessed or charged and remaining unpaid with respect to any Lot shall constitute a lien and encumbrance on such Lot until the same is paid in full. Declarant hereby reserves such a lien upon each Lot in the name of and for the benefit of the Association. Such lien shall constitute a contractual lien, and a power of sale is hereby granted with respect to such lien for the benefit of the Association as hereinafter set forth. Each such assessment or other charge, together with interest (if applicable), late charges, costs of collection and reasonable attorney's fees, shall also be the personal obligation of the person who is the Owner of such Lot at the time the assessment or other charge comes due (the "**Personally Obligated Owner**"); but personal liability for payment of delinquent assessments or other charges shall not pass to successors in title to the Personally Obligated Owner unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents of the Property and in particular for:

(a) the improvement and maintenance of the Common Area(s) within the Property or any other maintenance necessary or desirable for the use and enjoyment of such Common Area(s). Notwithstanding the foregoing, no maintenance performed by an Owner shall reduce the assessment payable by him or her to the Association.

(b) the maintenance, repair and reconstruction, when needed as determined by the Association, of private water and/or sewer lines (and any meters or lift stations associated therewith) serving any part of the Common Area, and driveways, walks, and parking areas situated in the Common Area;

(c) the payment of taxes and public assessments assessed against the Common Area;

(d) the procurement and maintenance of insurance in accordance with this Declaration;

(e) the employment of attorneys to represent the Association, when necessary or desirable;

(f) the provision of adequate reserves for the restoration or replacement of capital improvements; including, without limiting the generality of the foregoing, any major expense for which the Association is responsible; and

(g) such other needs as may arise in the performance of the Association's obligations under this Declaration such as, but not limited to, utilities, management services, and services such as, but not limited to, landscaping and porter services.

The assessments the Association is authorized to levy under this Article V and under other applicable provisions of this Declaration shall include, but shall not be limited to, the costs and expenses incurred or to be incurred by the Association in managing, administering, paying for, performing or contracting for the performance of any of the items or services listed in subparagraphs (a) through (g) above or other costs and expenses incurred by the Association on behalf of the Association as an expense.

Section 3. Monthly Assessment.

(a) Regular assessments shall be paid ratably on such monthly, quarterly or other basis as shall be established from time to time by the Board of Directors. The due dates shall be established by the Board of Directors. The Assessment rate shall be subject to change as provided in this Declaration. The Declarant, during the Declarant Control Period, and thereafter the Board may decide if a separate account to house assessments collected for the specific use of the Property Owners Association is deemed necessary. All Assessments shall be deposited into a general operating account. Any general or restricted reserve account shall be established separately from the general operating account and the use thereof shall be at the sole discretion of the Board of Directors so long as good faith judgement is exercised by the Board. No offsets shall be allowed and rate of Assessments shall be uniform for all Lots and/or Parcels as outlined below.

(b) The Assessment for Owners of Lots in Parcel A shall be paid annually at the rate of Seven Hundred Fifty and No/100 Dollars (\$750.00) and shall be due on January 1st of each calendar year. Assessments for Owners of Lots in Parcel A shall be uniform among all Owners within that Parcel. Assessments paid by Parcel A Owners will be proportioned as needed by the Property Owners Association between costs and expenses associated with the maintenance and upkeep specific to Parcel A and that of the Property Owners Association. Effective with the recording of this Declaration the Board shall allot the same monthly assessment as that required of Parcel B and Parcel C to be used for any and all expenses of the Property Owners Association, an amount equal to One Thousand, Two Hundred Fifty and No/100 Dollars (\$1,250.00) per month which may be paid quarterly, semi-

annually, or annually from the assessments collected on behalf of Parcel A Owners. Such amount shall contribute to the general maintenance and upkeep of the entire development as needed or deemed appropriate by the Board. The Board may, but is not obligated, to prepare each year a secondary budget outlining the expenses directly related to the maintenance and upkeep of all common areas and elements located within Parcel A and may adjust the allocation of assessments to be used by the Property Owners Association or for costs and expenses specific to Parcel A as needed or deemed appropriate.

(c) The Assessments for Parcel B and Parcel C Owners shall be payable on a monthly basis at the rate of One Thousand, Two Hundred Fifty and No/100 Dollars (\$1,250.00) per month, per Parcel. If there is more than one Owner of Parcel B or Parcel C, the Monthly Assessment shall be shared or apportioned equally among the Owners or as may be determined by the Declarant.

(d) For so long as Declarant owns any portion of a Lot or Parcel in Parcel A, Parcel B, or Parcel C, Declarant is exempt from assessments.

The Board of Directors shall prepare each year at least thirty days prior to December 31st a budget reflecting the anticipated costs and expenses of the Property Owner's Association for the next calendar year. If at any time the Board of Directors of the Association feels that the Monthly Assessment is inadequate to fulfill the functions of the Association, it shall recommend to the Members an increase in the Monthly Assessment. The Monthly Assessment rate may be increased by any amount up to twenty-five percent (25%) of the then current Assessment rate without consent or joinder of the Members. An Assessment increase in excess of twenty-five percent (25%) shall require a majority vote of the Class(es) of Membership affected by the increase present at a meeting in person or by proxy called for this purpose.

Section 4. Special Assessments. In addition to the Monthly Assessments, the Association may levy in any year Special Assessments for the following purposes:

(a) Defraying the amount of any deficit created by an excess of expenditures of the Association over receipts for the previous year, or paying for unexpected repairs and restoration and replacement of damaged Common Area facilities; provided, however, that the maximum amount of any Special Assessments for this purpose during any year may not exceed twenty-five percent (25%) of the Monthly Assessment for the then current year without the unanimous consent of all Classes of the Membership; and provided, further, that any such Special Assessment greater than twenty-five percent (25%) of the Monthly Assessment for the then current year shall require the consent of at least a majority of the Classes of Membership.

(b) Defraying, in whole or part, the cost of any construction or reconstruction of a capital improvement upon the Common Area; provided, however, that any such Special Assessment shall require the unanimous consent of all Classes of the Membership.

Special Assessments shall be due and payable as determined by the Association and shall be assessed at a uniform rate for all Lot / Parcel Owners.

Section 5. Reservation, Subordination, and Enforcement of Assessment Lien.

Declarant hereby reserves for the benefit of itself and the Association, a continuing contractual lien (the “**Assessment Lien**”) against each Lot located on the Property to secure payment of (1) the assessments imposed hereunder, and (2) payment of any amounts expended by such Declarant or the Association in performing a defaulting Owner’s obligations as provided for hereunder. THE OBLIGATION TO PAY ASSESSMENTS IN THE MANNER PROVIDED FOR IN THIS ARTICLE, TOGETHER WITH INTEREST (IF APPLICABLE) FROM SUCH DUE DATE AT THE DEFAULT INTEREST RATE SET FORTH IN ARTICLE V, SECTION 1 HEREOF, THE CHARGES AND FEES MADE AS AUTHORIZED HEREOF, ALL VIOLATION FINES AND THE COSTS OF COLLECTION, INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEYS’ FEES, IS SECURED BY A CONTINUING CONTRACTUAL ASSESSMENT LIEN AND CHARGE ON THE LOT OR PARCEL COVERED BY SUCH ASSESSMENT, WHICH SHALL BIND SUCH LOT AND THE OWNERS THEREOF AND THEIR HEIRS, SUCCESSORS, DEVISEES, PERSONAL REPRESENTATIVES AND ASSIGNEES. The continuing contractual Assessment Lien shall attach to the Property and Lots developed or to be developed therein as of the date of the recording of this Declaration in the Official Public Records of Denton County, Texas, and such Assessment Lien shall be superior to all other liens except as otherwise provided in this Declaration. Each Owner, by accepting conveyance of a Lot, shall be deemed to have agreed to pay the assessments herein provided for and to the reservation of the Assessment Lien. The Assessment Lien shall be subordinate only to the liens of any valid first lien mortgage or deed of trust encumbering a particular Lot. Sale or transfer of any Lot shall not affect the Assessment Lien. However, the sale or transfer of any Lot pursuant to a first mortgage or deed of trust foreclosure (whether by exercise of power of sale or otherwise) or any proceeding in lieu thereof, shall only extinguish the Assessment Lien as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability and the Assessment Lien for any assessments thereafter becoming due. The Assessment Lien may be non-judicially foreclosed by power of sale in accordance with the provisions of Section 51.002 of the Texas Property Code (or any successor provision) or may be enforced judicially. Each Owner, by accepting conveyance of a Lot, expressly grants the Association a power of sale in connection with the foreclosure of the Assessment Lien. The Board is empowered to appoint a trustee, who may be a member of the Board, to exercise the powers of the Association to non-judicially foreclose the Assessments Lien in the manner provided for in Section 51.002 of the Texas Property Code (or any successor statute). The Association, through duly authorized agents, shall have the power to bid on the Lot at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. The rights and remedies set forth in this Section are subject to the Texas Residential Property Owners Protection Act, as amended from time to time (Texas Property Code, Section 209.001 *et seq.*).

Section 6. Effect of Nonpayment of Assessments; Remedies of the Association.

If any assessment is not paid within ten (10) days from the due date thereof, in addition to any interest which may accrue thereon as may be determined by the Board of Directors of the Association at any time and from time to time, a late charge shall be assessed against the non-paying Owner for each month that any assessment remains unpaid as more specifically provided herein, and if placed in the hands of an attorney for collection or if collected through probate or other judicial proceedings, there shall be reimbursed to the Association its reasonable attorneys’ fees. Should any assessment provided for herein be payable in

installments, the Association may accelerate the entire assessment and demand immediate payment thereof. A late charge shall be assessed against the non-paying Owner for each month that any assessment remains unpaid. The late charge shall be in the amount of **Twenty-Five and No/100 Dollars (\$25.00)** per month and shall serve to reimburse the Association for administrative expenses and time involved in collecting and processing delinquent assessments. An additional fee of **Thirty-Five and No/100 Dollars (\$35.00)** shall be assessed to an owner's account for every check returned for non-sufficient funds or for any other reason. The Association's Managing Agent shall be entitled to charge an Owner a monthly collection fee to compensate Managing Agent for its efforts in collecting delinquent assessments. A separate charge may be charged by managing agent and shall be assessed to an Owner's account for the preparation and processing of Final Notices or Demand Letters sent by certified or certified and return receipt requested mail. The Association, in the Board's discretion, shall have the right to waive any part of or all of such fees and/or interest. The Association may bring an action at law against the Personally Obligated Owner or foreclose the lien against the Lot(s) subject to the unpaid assessments, interest or other charges, and in either event, the Association shall be entitled to recover the unpaid assessment, interest or other charges, the late charge specified above, and any expenses and reasonable attorney's fees incurred by the Association in prosecuting such foreclosure and/or such collection. Each Owner of any Lot by acceptance of a deed therefore hereby grants to the Association a power of sale with respect to such Owner's Lot in connection with the enforcement of the lien established by this Article and Section together with the right to appoint and remove a trustee and any number of substitute trustees and to cause the trustee or substitute trustee to foreclose the Association's lien against such Lot pursuant to a non-judicial foreclosure sale conducted in accordance with the provisions of Section 51.002 of the Texas Property Code, as from time to time amended, or its successor provision. However, nothing herein shall prevent the Association from seeking a judicial foreclosure of such lien or any other right or remedy available to the Association with respect to any amounts owed hereunder. No Owner may waive or otherwise escape liability for any assessment provided for herein by non-use of the Master Common Area or abandonment of his Lot.

Section 7. **No Diminution of Assessment.** No diminution or abatement of Assessments shall be allowed or claimed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Area or Parcels or Lots or from any action taken to comply with any law, ordinance or order of a governmental authority.

Section 8. **Suspension of Right to Use Master Common Area.** In addition to the other powers herein granted, the Board may suspend the right of an Owner to use any of the Common Areas during the time that such Owner is delinquent in paying any Assessment.

Section 9. **Mortgagee Notice.** The Association shall promptly notify the Mortgagee of any Parcel, or Lot whose Owner is in default in the payment of Assessments, of the existence of such default, by notice addressed to such Mortgagee at its last known address as reflected or as may be available in the records of the Association.

Section 10. Working Capital Fund. Every time a Lot is sold to a purchaser who, as a result of such sale, will become a Class A, Class B, or Class C Member an additional assessment equal to **Two Hundred Fifty and No/100 Dollars (\$250.00)** for such Lot (the “**Capitalization Fee**”) shall be collected from the purchaser of such Lot and transferred to the Association to be held and used as a working capital fund. The purpose of said fund is to ensure that the Association will have adequate cash available to meet expenses contemplated herein, as well as unforeseen expenses, and to acquire additional equipment or services deemed necessary or desirable. Amounts so paid into the working capital fund shall not be considered an advance payment of regular assessments and is non-refundable.

Section 11. Transfer Fees and Fees for Issuance of Resale Certificates. Pursuant to the terms hereof, the Board may enter into a contract with a Managing Agent to oversee the daily operation and management of the Association. The Managing Agent may, and probably will, have fees, which will be charged to an Owner for the transfer of a significant estate or fee simple title to a Lot and the issuance of a “**Resale Certificate**” (herein so called). The Association or its agent shall not be required to issue a Resale Certificate until payment for the cost thereof has been received by the Association or its agent. Transfer fees and fees for the issuance of a Resale Certificate shall in no event exceed the greater of Seven Hundred Fifty and No/100 Dollars (\$750.00) for each home, Lot, or Parcel being conveyed and are not refundable and may not be regarded as a prepayment of or credit against regular or special assessments and are in addition to the any other fees. This Section does not obligate the Board or any third party to levy such fees.

Section 12. Evidence of Lien. To evidence the Association’s lien for unpaid assessments provided for in this Declaration, the Association may prepare a written notice of the lien setting forth the amount of the unpaid indebtedness, the name of the Owner(s) of the Lot covered by such lien, and a legal description of the Lot covered by such lien. Such notice shall be executed by an officer of the Association and shall be recorded in the real property records of the county in which such Lot is located. Notwithstanding the foregoing, any failure by the Association to record a notice as provided herein with respect to any Lot or Parcel shall not prevent or otherwise affect the Association’s right or ability to seek collection of the assessment from the Personally Obligated Owner or to enforce the lien against the Lot.

Section 13. Advances by Declarant during Development Period. In order to maintain the Common Area and sustain the services contemplated by Declarant during the Development Period, Declarant may, in its sole discretion, provide amounts in excess of the funds raised by the regular assessments in order to maintain the Common Areas within reasonable standards. Any such advances made by Declarant during the Development Period shall be a debt of the Association. Notwithstanding the foregoing, Declarant, in its sole discretion, may cause the Association to borrow any deficiency amount from a lending institution at the then prevailing rate for such a loan in Denton County, Texas.

**ARTICLE VI
MAINTENANCE BY AND SERVICES
OF THE ASSOCIATION**

Section 1. Common Area. The Association shall maintain the Common Area as provided for in this Declaration.

Section 2. Maintenance. Maintenance of the Common Area by the Association may include, but shall not be limited to, the installation and maintenance of landscaping, gardens, green areas, drainage detention areas, ponds, water features, pathways, and recreational and private park facilities within the Common Area.

Section 3. Willful or Negligent Acts. In the event that the need for maintenance or repair is caused through the willful or negligent act of any Owner or his tenants, guests or invitees, the Association shall add the cost of such maintenance or repairs, as a Special Individual Assessment and shall be levied to the Owners account and subject to collection enforcement as any other assessment owed to the Association.

Section 4. Management of the Project. The management and control of the Common Area shall be the responsibility of the Association, acting through its Board of Directors, in accordance with the provisions of this Declaration, the Articles of Incorporation, and such rules and regulations as may be adopted by the Board of Directors, and such amendments, changes, or modifications thereto as may come into effect from time to time, unless a majority of Owners of all Classes combined shall vote to veto such amendment, change, or modification. The Association shall cause Professional Management to be retained subject to the provisions of this Declaration. Professional Management shall mean a person or firm in the business of and experienced in the management of real property.

Section 5. Powers and Duties Generally. In addition to the power of assessment collection and enforcement set forth in this Declaration, the Association may exercise any and all rights and powers hereinafter enumerated together with any and all rights and powers which are necessary or proper to maintain and keep the Common Area in first-class condition and in a good state of repair, to enforce any of the provisions of this Declaration or the rules and regulations duly adopted by the Board of Directors of the Association, or to carry out and perform its powers and responsibilities.

Section 6. Powers and Duties. The Association shall provide, perform, cause to be performed, maintain, acquire, contract and/or pay for all or any of the following:

(a) Utilities. Water, sewer, electrical and gas and other necessary utility services for the Common Area or the Association.

(b) Insurance. Such policies of casualty, liability and other insurance covering such persons, property and risks as are more particularly set forth in Article IX.

(c) Management Services. The services of a Manager, together with the services of such other Persons as the Board of Directors shall from time to time determine to be necessary or proper to the daily management, operation and maintenance of the Common Area; provided, however, that no contract for such services shall be made and entered into which binds the Association for a period in excess of two (2) years.

(d) Materials. All services, supplies, and materials necessary or proper to the daily management, operation and maintenance of the Common Area; provided, however, no contract for such services, supplies, and materials shall be made and entered into which binds the Association for a period in excess of one (1) year or that is not terminable, without cause, upon thirty (30) days' written notice.

(e) Repairs, Maintenance, Reconstruction. Subject to the further provisions hereof, arrangements for cleaning, painting, maintenance, repairs, reconstruction and replacement of and to all or any portion of the Common Area which are required to be cleaned, painted, maintained, repaired, reconstructed or replaced by the Association.

(f) Gardening and Landscaping. The services of a landscaper to maintain, renew and replace all or any portion of the landscaping, gardens and green areas within the Common Area, together with all tools, supplies, plants and equipment reasonably necessary for such purpose.

(g) Trash, Rubbish Collection. The services of a trash, rubbish and garbage collection company or agency, whether public or private, or a Porter Service for the purpose of promptly, regularly and efficiently collecting from designated areas within the Common Area and removing from the Common Area all trash, rubbish, garbage and refuse,

(h) Miscellaneous Services. Such other services for the use, enjoyment and protection of the Common Area as the Board of Directors of the Association may determine from time to time are reasonable, proper or desirable, including, but not limited to, special lighting, security guards and security facilities.

(I) Annual independent Audit. An annual balance sheet and statement of income and expense of the Association. Said balance sheet and income and expense statement shall reflect the income and expenditures of the Association for the Maintenance and operation of the Common Area for the Association's fiscal year and shall be prepared by the chief financial officer of the Association or any other person retained by the Association to prepare the same, or by an independent certified public accountant, as the Board of Directors shall determine. A copy of the balance sheet and statement of income and expense shall be delivered to each Owner within ninety (90) days after the close of the Association's fiscal year. Additionally, any Mortgagee or Owner shall be entitled to inspect the books of the Association during usual business hours upon reasonable notice to the Association.

(j) Legal and Accounting. Legal and accounting services and fees for the Association and the Board of Directors, provided that said services and fees are incurred solely in connection with (i) the management, operation and maintenance of the Common Area, (ii) the performance or enforcement (including the collection of Assessments) of the provisions of this Declaration or the Articles of Incorporation, (iii) protest or litigation to contest local, real estate taxes, or (iv) litigation arising out of the condemnation of all or any portion of the Common Area.

(k) Fidelity Bonds. Such fidelity bond or bonds naming the directors of the Association, Members, the Manager, his staff and/or such other person or persons as may be designated by the Association as principals, with the Association as the obligee.

(l) Taxes and Assessments. Taxes and/or assessments of whatever type duly assessed against all or of any portion of the Common Area or the Association, which taxes and/or assessments are not separately assessed to individual Owners.

Section 7. Additional Authority. The Association, acting through its Board of Directors, shall have authority to establish and publish uniform rules and regulations as may be deemed by it to be reasonable in connection with the use, occupancy and maintenance of the Common Areas and all improvements located thereon, and to alter, amend or modify such rules and regulations from time to time by Resolution of the Board. All Mortgagees requesting same shall be given a copy of such rules and regulations. A copy of such rules and regulations shall be:

- (a) posted in one or more conspicuous places on the Common Area and / or to the Association's website, if applicable; and
- (b) distributed to each Owner.

Such rules and regulations shall be binding upon each and every Owner and his tenants, guests, employees, servants, and invitees.

Section 8. Delegation of Powers. The Association may delegate any of its duties, powers or functions to any qualified Person who is acting as Manager. Neither the Association, nor the members of its Board, nor its officers or committee members shall be liable for any omission or improper exercise by the Manager or his staff of any such duty, power or function so delegated. In the event that the Board elects to contract with a Managing Agent to perform any duties of the Board in accordance with this Declaration, the Board shall record or cause to be recorded in each county in which the Property is located a management certificate, signed and acknowledged by an officer of the Managing Agent or the Association in accordance with the requirements of Section 209.004 of the Texas Property Code. An amended management certificate shall be recorded no later than the 30th day after the date on which the Association has notice of a change in any information pertaining to the Managing Agent applicable to the Association. Notwithstanding the foregoing or anything to the contrary contained herein, in no event shall the Declarant, the Association and/or their respective officers, directors, employees, and/or agents, or the Board be subject to liability to any Person for a delay in recording or failure to record a management certificate except as otherwise provided by law.

Section 9. Liability Limitations; Indemnification. No Declarant, Member, director, officer or representative of the Association or the Board or the Committee including, but not limited to, Managing Agent, shall be personally liable for the debts, obligations or liabilities of the Association. The directors and officers of the Association shall not be liable for any mistake of judgment, whether negligent or otherwise, except for their own individual willful misfeasance or malfeasance, misconduct, bad faith, intentional wrongful acts or as otherwise expressly provided in the Association dedicatory instruments. Declarant and directors, officers and Committee members shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association, and **THE ASSOCIATION, AS A COMMON EXPENSE OF THE ASSOCIATION, SHALL INDEMNIFY AND HOLD HARMLESS DECLARANT, DIRECTORS, OFFICERS AND MEMBERS OF THE COMMITTEE FROM ANY AND ALL EXPENSES, LOSS OR LIABILITY TO OTHERS ON ACCOUNT OF ANY SUCH CONTRACT OR COMMITMENT (TO THE EXTENT NOT COVERED BY INSURANCE PROCEEDS). IN ADDITION, EACH DIRECTOR AND EACH OFFICER OF THE ASSOCIATION**

AND EACH MEMBER OF THE COMMITTEE SHALL BE INDEMNIFIED AND HELD HARMLESS BY THE ASSOCIATION, AS A COMMON EXPENSE OF THE ASSOCIATION, FROM ANY EXPENSE, LOSS OR LIABILITY TO OTHERS (TO THE EXTENT NOT COVERED BY INSURANCE PROCEEDS) BY REASONS OF HAVING SERVED AS SUCH DIRECTOR, OFFICER OR COMMITTEE MEMBER AND AGAINST ALL EXPENSES, LOSSES AND LIABILITIES, INCLUDING, BUT NOT LIMITED TO, COURT COSTS AND REASONABLE ATTORNEYS' FEES, INCURRED BY OR IMPOSED UPON SUCH DIRECTOR, OFFICER OR COMMITTEE MEMBER IN CONNECTION WITH ANY PROCEEDING TO WHICH SUCH PERSON MAY BE A PARTY OR HAVE BECOME INVOLVED BY REASON OF BEING SUCH DIRECTOR, OFFICER OR COMMITTEE MEMBER AT THE TIME ANY SUCH EXPENSES, LOSSES OR LIABILITIES ARE INCURRED SUBJECT TO ANY PROVISIONS REGARDING INDEMNITY CONTAINED IN THE ASSOCIATION'S DEDICATORY INSTRUMENTS, EXCEPT IN CASES WHEREIN THE EXPENSES, LOSSES AND LIABILITIES ARISE FROM A PROCEEDING IN WHICH SUCH DIRECTOR, OFFICER OR COMMITTEE MEMBER IS ADJUDICATED GUILTY OF WILLFUL MISFEASANCE OR WILLFUL MALFEASANCE, WILLFUL MISCONDUCT OR BAD FAITH IN THE PERFORMANCE OF SUCH PERSON'S DUTIES OR INTENTIONAL WRONGFUL ACTS OR ANY ACT EXPRESSLY SPECIFIED IN THE ASSOCIATION'S DEDICATORY INSTRUMENTS AS AN ACT FOR WHICH ANY LIMITATION OF LIABILITY SET FORTH IN THE ASSOCIATION'S DEDICATORY INSTRUMENTS IS NOT APPLICABLE; PROVIDED, HOWEVER, THIS INDEMNITY DOES COVER LIABILITIES RESULTING FROM SUCH DIRECTOR'S, OFFICER'S OR COMMITTEE MEMBER'S NEGLIGENCE. Any right to indemnification provided herein shall not be exclusive of any other rights to which a director, officer or Committee member, or former director, officer or Committee member, may be entitled. The Association shall have the right to purchase and maintain, as a Common Expense, directors', officers', and Committee members', insurance on behalf of any Person who is or was a director or officer of the Association or the Committee member against any liability asserted against any such Person and incurred by any such Person in such capacity or arising out of such Person's status as such Person.

Section 10. AS IS CONDITION; RELEASE. EACH OWNER, RESIDENT, AND THEIR GUESTS ACCEPT THE CURRENT AND FUTURE CONDITION OF THE PROPERTY AND ALL IMPROVEMENTS CONSTRUCTED THEREON AS IS AND WITH ALL FAULTS. NO REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, IS MADE BY DECLARANT, THE ASSOCIATION OR ANY OF THEIR OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS AS TO THE CONDITION OF THE PROPERTY OR ANY IMPROVEMENTS THEREON. EACH OWNER AND RESIDENT HEREBY RELEASE AND AGREES TO HOLD HARMLESS THE DECLARANT, THE ASSOCIATION, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, COMMITTEES, AGENTS, AND EMPLOYEES (COLLECTIVELY, THE "RELEASED PARTIES"), FROM ANY CLAIM ARISING OUT OF OR IN CONNECTION WITH THE PROPERTY OR ANY IMPROVEMENTS THEREON, INCLUDING WITHOUT LIMITATION, ANY OF THE MATTERS DISCLOSED IN THIS ARTICLE OR THE DECLARATION, WHETHER BY AN OWNER, RESIDENT OR A THIRD PARTY, EVEN IF DUE TO THE NEGLIGENCE OF THE

RELEASED PARTIES OR ANY ONE OF THEM. EACH OWNER AND RESIDENT FURTHER ACKNOWLEDGES THAT THE RELEASED PARTIES HAVE MADE NO REPRESENTATIONS OR WARRANTIES, NOR HAS THE OWNER OR RESIDENT RELIED ON ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO THE CONDITION OF THE PROPERTY OR ANY IMPROVEMENTS THEREON, AND ALL SUCH WARRANTIES ARE HEREBY WAIVED AND RELEASED BY EACH OWNER AND RESIDENT.

Section 11. Non-Profit Character of Association. Notwithstanding anything contained in this Declaration to the contrary, neither the Association or its Board of Directors or the Manager or his staff may do, conduct or engage in any activity, or cause the same to be done, which may jeopardize the non-profit character of the Association.

ARTICLE VII PERMITTED USES AND RESTRICTIONS

Section 1. General Restrictions. Parcel A shall be used solely for single-family residential purposes. Parcel B shall be used solely for commercial, office, restaurant or retail purposes and Parcel C shall be used for residential multi-family apartment purposes. The Declarant and thereafter, the Board of Directors retains the right, but not the obligation, to promulgate rules and regulations by which all Owners, tenants, occupants, or guests of Parcel B and/or Parcel C shall be subject to compliance. The Property Owners Association reserves the right, but not the obligation to create or amend from time to time a separate agreement of use restrictions which shall subject Parcels B and C to certain uses and restrictions. The Property Owners Association may, but is not obligated, to exercise jurisdictional authority with regard to improvements, upkeep of the grounds, maintenance of the buildings, and the general aesthetics and appearance of any buildings or grounds located on Parcel B or Parcel C. A written notice will be served upon the Owners of Parcel B or Parcel C outlining any non-conforming items or issues with a minimum of twenty (20) days to comply unless it is an emergency or presents a hazard or danger to health, person, or property. Under an emergency situation, action is required within seventy-two hours or less. Failure to comply may result in the Association taking action to correct and any costs or expenses incurred by the Association will be levied against the Parcel Owner's account.

Section 2. Noxious Uses. A Parcel or Lot and any improvements thereon shall not be used so as to disturb the neighborhood or occupants of adjoining property, or to constitute a nuisance, or to violate any public law, ordinance or regulation applicable thereto. A Parcel or Lot and improvements located thereon shall not be used for any purpose which will create or emit any objectionable, offensive or noxious noise, odors, dust, gas, fumes or other such adverse or objectionable materials, items, acts, or sounds.

Section 3. Use of Common Area. The Common Area shall be used for park, recreational, social and utility easement as well as other purposes directly related to the uses authorized by this Section, by Resolution of the Board or Declarant during the Declarant

Control Period and in addition to purposes and/or restrictions as may be set forth in Article III of this Declaration.

Section 4. Specifically Prohibited Uses No pornographic bookstores, adults-only shops or related establishments shall operate or be located on any Parcel or Common Area within the Frisco/Park West Property Owners Association.

Section 5. Nuisances. No rubbish or debris of any kind shall be placed or permitted to accumulate upon any part of a Parcel or Lot, except in dumpsters or other trash receptacles. No odors shall be permitted to arise from any residence or structure, dumpsters or other trash receptacles so as to render any Parcel or Lot or portion thereof unsanitary, unsightly, offensive or detrimental to the health or the peaceable enjoyment of any other person or property in the vicinity thereof. No nuisance shall be permitted to exist upon any Parcel or Lot which can be considered offensive or detrimental to the peaceable enjoyment of adjacent Lots or Parcels and any other property in the vicinity thereof or to its occupants.

Section 6. Repair of Buildings. No building or structure upon any Parcel or Lot shall be permitted to fall into disrepair, and each such building and structure shall at all times be kept in good condition and repair. Each Owner shall keep their Lot, Parcel, Residence, Building and any other structure in good repair and in the event repairs are needed the Owner shall perform the needed repairs promptly. Owner shall submit an architectural application for any modification or addition to the exterior of any building, residence, structure, or to any Lot or Parcel regardless of the change for review and approval by the Architectural Control Committee.

Section 7. Mineral Exploration. No Parcel or Lot shall be used in any manner to explore for or to remove any oil or other hydrocarbons, minerals of any kind, gravel, earth or any earth substance of any kind.

Section 8. Machinery and Equipment. Without the approval of the Declarant during the Declarant Control Period and thereafter, the Board of Directors, no machinery or equipment of any kind shall be placed, operated or maintained upon a Parcel or Lot by any Owner or its agents, contractors and employees except such machinery or equipment as is usual and customary in Denton County, Texas, in connection with the use, maintenance, or construction of such Parcel or Lot for improvements thereon.

Section 9. Lighting. No lighting or illumination shall be placed upon the Lots, Residences, Buildings, or Parcels in such a manner as to cause unreasonable glare or illumination that disturbs adjoining Lots or neighbors or causes a blinding effect on vehicle traffic.

Section 10. Not Inclusive. The uses and restrictions as provided herein are not inclusive and are subject to additional uses and restrictions, rules and regulations as the Declarant and thereafter, the Board may deem necessary or appropriate.

ARTICLE VIII
ENFORCEMENT OF OBLIGATIONS OF OWNER.

Section 1. **General Maintenance.** Except for maintenance of Lots or Parcels and any improvements thereon to be provided for by the Association and as may be set forth in this Declaration, each Owner shall maintain and care for all trees, plants, or foliage on his Lot or Parcel and otherwise keep his Lot or Parcel and all improvements thereon in reasonable repair so as not to be unsightly or in violation of any city ordinance or governing ordinance of the Association. Exteriors or residences and lots shall be kept in good repair at all times and be aesthetically pleasing. Lawns must be kept up at all times, grass may not grow longer than six inches (6") and lawns are to be watered regularly during growing seasons and regularly treated for weeds.

Section 2. **Complaints by Owner.** If any Owner has reason to believe a neighbor, Owner or Resident of the Association commits a violation of this Declaration or any rules and regulations he may report said violation to the Board of Directors or the Managing Agent, if applicable, and request action or intervention. The Board of Directors or Managing Agent shall address the violation using the procedures set forth in this Declaration or its Notice, Fining, and Hearing Policy.

Section 3. **Complaints by Association.** Prior to the imposition of any fine for a violation of this Declaration or the levying of any special individual assessment on an Owner, the Association will give notice to the Owner in compliance with Section 209.006 of the Texas Property Code (the "**Property Code**"), as the same may be hereafter amended. Such notice shall be as follows:

(i) Notice will be delivered by U.S. mail unless a Fine Warning or Fine Notice is being served on the Owner which shall be sent certified and regular U.S. mail to the Owner of record. A minimum of one (1) ten (10) day notice is required except in the case of life threatening situations or emergencies.

(ii) The notice must describe the violation or property damage that is the basis for the notice and/or fine for such violation. The Fine Warning and Fine Notice shall state any amount due the Association from the Owner.

(iii) The notice must inform the Owner that the Owner is entitled to a reasonable time to cure the violation and avoid the fine and that the Owner may request a hearing under this Section 10.1 and Section 209.007 of the Texas Property Code on or before the 30th day after the Owner receives the notice. For clarification purposes a reasonable time to cure excluding emergency or life-threatening situations shall be not less than ten (10) days nor more than twenty (20) days.

(a) In compliance with Section 209.007 of the Texas Property Code, if the Owner submits a written request for a hearing, the Association shall hold a hearing not later than the thirtieth (30th) day after the date the Board receives the Owner's request, and shall notify the Owner of the date, time

and place of the hearing not later than the tenth (10th) day before the date of the hearing. The Board or the Owner may request a postponement, and, if requested, a postponement shall be granted for a period of not more than ten (10) days. Additional postponements may be granted by agreement of the parties. If the hearing is to be held before a committee appointed by the Board, the notice described in Section 10.1(a) hereof shall state that the Owner has the right to appeal the committee's decision to the Board by written notice to the Board.

ARTICLE- IX FIRE AND EXTENDED COVERAGE INSURANCE AND INDEMNITY

Section 1. Insurance Policies. The Association shall insure the Common Areas, and property owned by the Association, including, if any, records, furniture, fixtures, equipment, and supplies, in an amount sufficient to cover one hundred percent (100%) of the replacement cost of any repair or reconstruction in the event of damage or destruction from any insurable hazard. The Association is not required to insure any Lot, Parcel, Detached Residence, automobiles, watercraft, furniture or other personal property located within a Residence or on any Common Area unless specifically set forth in this Agreement. The Association shall maintain a commercial general liability insurance policy on the Common Areas and any area for which the Association may have maintenance responsibility if the Board of Directors deems it in the best interest of the Association to do so. All insurance maintained by the Association shall be written by an insurer with an A.M. Best rating. The insurance policies required under this Section or otherwise will provide for blanket waivers of subrogation for the benefit of Declarant, shall provide primary coverage, not secondary, and provide first dollar coverage. Additionally, the insurance policies under this paragraph shall provide that Declarant shall receive thirty-days written notice prior to cancellation of the policy and that Declarant shall be permitted to pay any premiums to keep the Association's insurance policies in full force and effect. The Association shall cause Declarant to be named as an additional insured on all insurance required under this Section or as otherwise set forth herein. In addition to the other indemnities herein and without limitation, if the Association fails to name Declarant as an additional insured as set forth herein, the Association shall hold harmless, defend and indemnify Declarant for any loss, claim, damage and/or lawsuit suffered by Declarant for the Association's failure described herein. To the extent of any conflict between this Section and a provision in other Article as it relates to insurance for Common Areas, this Section shall control.

1.1. **Workmen's Compensation.** The Association shall only be required to purchase Workmen's Compensation if it employs a person or persons as an employee of the Association. Vendors must carry and keep current sufficient Workmen's Compensation to cover itself and its employees at all times.

1.2. **Fidelity Bonds.** The Association shall purchase, obtain, carry, and maintain fidelity bonds for officers and employees of the Association which may be in addition to or sometimes also known as Directors and Officers Insurance.

**ARTICLE X
DRAINAGE EASEMENTS AND RIGHTS**

General. All of the Property, including Lots, Parcels, and Common Areas, shall be subject to such easements as applicable for driveways, walkways, parking areas, water lines, sanitary sewers, storm drainage facilities, gas lines, telephone, and electric power line and other public utilities as shall be established by the Declarant or by its predecessors in title, prior to the subjecting of the Property to this Declaration; and the Association shall have the power and authority to grant and establish upon, over, under, and across the Common Areas conveyed to it, such further easements as are requisite for the convenient use and enjoyment of the Property. In addition, there is hereby reserved in the Declarant and its agents and employees an easement and right of ingress and egress across all Common Areas, now or hereafter existing, for the purpose of construction and repairing of improvements within the Property, including the right of temporary storage of construction materials on said Common Areas.

Section 1. Easement. A perpetual easement is hereby created, for the benefit of owners of each Parcel, for the discharge of storm water onto the Common Area and the flowage of storm water over and across the Common Area and the Drainage Easement (as defined below). Such easement burdens the Common Area and the Drainage Easement. Use of such easement shall be without charge separate from the Assessments. Usage of the easement shall not be denied because of non-payment of any Assessment.

Section 2. Maintenance. For the avoidance of doubt, the Association, as part of its Obligations under this Declaration, will be responsible for maintenance of all drainage facilities (including any detention pond or similar facility) located within the Common Area and the Drainage Easements, The Association may pay the costs of such maintenance from the proceeds of Assessments levied under this Declaration.

Section 3. Association's Failure to Maintain. If the Association fails to carry out such maintenance, an Owner of any Lot or Parcel, after giving the Association notice of the required maintenance and allowing the Association ten (10) days following delivery of such notice to complete such maintenance, may cause the required maintenance to be performed and recover from the Association the costs of completing the required maintenance. The Association will pay from proceeds of Assessments levied under this Declaration or other funds available to the Association any such costs.

**ARTICLE XI
MORTGAGEE PROTECTIVE PROVISIONS**

Section 1. Status of Mortgages. Any Mortgage will be subject and subordinate to this Declaration, but the Mortgage may contain such mortgagee-protective provisions requested by the Mortgagee. A Mortgagee will be entitled to notices from the Association only if it provides the Association with its address for notice, and a Mortgagee will be entitled to notices from an Owner only if it provides the Owner (or its predecessor as Owner of the Parcel of Lot in question) with its address for notice.

Section 2. Notices and Cure of Defaults. The Association or an Owner shall provide any Mortgagee (at the address registered with the Association or Owner in the manner provided by this Declaration) a copy of any notice of default sent to the Owner of the Parcel or Lot encumbered by the Mortgage held by the Mortgagee at the same time as the Association or Owner gives such notice to such defaulting Owner. Any Mortgagee shall have a period of thirty (30) business days more than that given to the defaulting Owner to remedy any default or cause the default to be remedied or, in the case of a non-monetary default not capable of remedy by a Mortgagee within the allotted time, such greater period of time thereafter as is necessary to complete the cure so long as the Mortgagee pursues the cure with continuous and diligent efforts. In the event of default, the Association or an Owner shall be obliged to accept performance by any Mortgagee of any covenant, condition or agreement to be performed hereunder by the Owner of the parcel or Lot encumbered by the Mortgage held by the Mortgagee with the same force and effect as though performed by such defaulting Owner,

Section 3. Liability of Mortgagee. No Mortgagee shall become liable under this Declaration unless it becomes, and then only for so long as it remains, the Owner of the Parcel or Lot encumbered by the Mortgage held by the Mortgagee.

ARTICLE XII GENERAL PROVISIONS

Section 1. Duration and Enforcement. This Declaration shall be effective for an initial term ending on December 31, 2054, after which time said Covenants shall be automatically extended for successive periods of ten (10) years each unless, at least one (1) year prior to the expiration of the then current term, an instrument terminating this Declaration is signed by Owners of at least seventy percent (70%) of the Lots and Parcels, and is recorded in the Official Public Records of Denton County, Texas.

1.1 The Covenants of this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by Declarant, the Association and each Owner and each of their respective legal representatives, heirs, successors and assigns, and each current Owner of a Lot or Parcel shall be deemed to agree and covenant with all other Owners and their respective successors and assigns, and with each of them, to conform to and observe said restrictions, covenants, easements and other provisions as to the Parcel or Lot of such Owner and the construction of Improvements thereon. No restriction, covenant or other obligation herein set forth shall be personally binding on any Person except in respect to breaches committed as to a Lot or Parcel while such Person is an Owner. No action for enforcement of this Declaration against the Declarant, the Association, its Managing Agent, or any other successors or assigns may be commenced until the procedures for such disputes as may be specified in this Declaration are satisfied in full. Failure of any Owner or Owners or the Association to enforce any of the restrictions, covenants, easements or other provisions herein set forth shall in no event be deemed a waiver of the right to do so or to enforce other restrictions, covenants, easements or provisions of this Declaration.

1.2 AS IS CONDITION; RELEASE. EACH OWNER, RESIDENT, AND THEIR GUESTS ACCEPT THE CURRENT AND FUTURE CONDITION OF THE PROPERTY AND ALL IMPROVEMENTS CONSTRUCTED THEREON AS IS AND WITH ALL FAULTS. NO REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, IS MADE BY DECLARANT, THE ASSOCIATION OR ANY OF THEIR OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS AS TO THE CONDITION OF THE PROPERTY OR ANY IMPROVEMENTS THEREON. EACH OWNER AND RESIDENT HEREBY RELEASE AND AGREES TO HOLD HARMLESS THE DECLARANT, THE ASSOCIATION, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, COMMITTEES, AGENTS, AND EMPLOYEES (COLLECTIVELY, THE "RELEASED PARTIES"), FROM ANY CLAIM ARISING OUT OF OR IN CONNECTION WITH THE PROPERTY OR ANY IMPROVEMENTS THEREON, INCLUDING WITHOUT LIMITATION, ANY OF THE MATTERS DISCLOSED IN THIS ARTICLE OR THE DECLARATION, WHETHER BY AN OWNER, RESIDENT OR A THIRD PARTY, EVEN IF DUE TO THE NEGLIGENCE OF THE RELEASED PARTIES OR ANY ONE OF THEM. EACH OWNER AND RESIDENT FURTHER ACKNOWLEDGES THAT THE RELEASED PARTIES HAVE MADE NO REPRESENTATIONS OR WARRANTIES, NOR HAS THE OWNER OR RESIDENT RELIED ON ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO THE CONDITION OF THE PROPERTY OR ANY IMPROVEMENTS THEREON, AND ALL SUCH WARRANTIES ARE HEREBY WAIVED AND RELEASED BY EACH OWNER AND RESIDENT.

Section 2. AGREEMENT TO ENCOURAGE RESOLUTION OF DISPUTES WITHOUT LITIGATION.

2.1 Bound Parties. Declarant, the Association and its officers, directors, and committee members, Owners, Residents, and all other parties subject to this Declaration ("Bound Party", or collectively, the "Bound Parties"), agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Property without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in subsection (b), unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Section 17.2 in a good faith effort to resolve such Claim.

2.2 Claim(s). As used in this Article, the term "Claim" or "Claims" means collectively, all claims, demands, suits, proceedings, actions, causes of action (whether civil, criminal, administrative or investigative and including, without limitation, causes of action in tort), losses, penalties, fines, damages, liabilities, obligations, costs, and expenses (including attorneys' fees and court costs) of any and every kind or character, known or unknown, including but not limited to, cost recovery, contribution and other claims.

any claim, grievance or dispute arising out of or relating to:

(i) Claims relating to the rights and/or duties of Declarant, the Association or an Owner under the Restrictions; or

(ii) Claims relating to the design or construction of Improvements on the Common Areas, Lots, or Parcels, other than matters of aesthetic judgment under Article 11, which will not be subject to review.

2.3 Not Considered Claims. The following will not be considered "Claims" for purposes of this Article unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in this Declaration:

(i) any legal proceeding by the Association to collect assessments or other amounts due from any Owner;

(ii) any legal proceeding by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of this Restrictions;

(iii) any legal proceeding which does not include Declarant or the Association as a party, if such action asserts a Claim which would constitute a cause of action independent of the Restrictions; and

(iv) any action by the Association to enforce the Restrictions.

2.4 Claim by the Association – Common Areas. The Association does not have the power or right to institute, defend, intervene in, settle, or compromise litigation or administrative proceedings: (i) in the name of or on behalf of any Lot or Parcel Owner (whether one or more); or (ii) pertaining to a Claim, as defined in this Article, relating to the design or construction of a Residence (whether one or more). In the event the Association, a Lot or Parcel Owner asserts a Claim related to the Common Elements, as a precondition to providing the Notice defined in this Declaration, initiating the mandatory dispute resolution procedures set forth, or taking any other action to prosecute a Claim related to the Common Areas, the Association, Lot or Parcel Owner, as applicable, must:

2.4.1 Negotiation. Claimant and Respondent will make every reasonable effort to meet in person to resolve the Claim by good faith negotiation. At any time during the negotiation period, if the Respondent is the Declarant, the Declarant may make repairs to the Common Areas, the Special Common Area, and the Area of Common Responsibility to prevent further damage to any of these areas, the Structures, or Residence, whether or not such repairs would inhibit or prohibit Claimant from securing evidence of resulting damage. Within 60 days after Respondent's receipt of the Notice, Respondent and Claimant will meet at a mutually acceptable place and time to discuss the Claim. If the Claim involves all or any portion of the Property, then at such meeting or at some other mutually-agreeable time, Respondent and Respondent's representatives will have full access to the Property that is subject to the Claim for the purposes of inspecting the Property. If Respondent elects to take corrective action, Claimant will provide Respondent and Respondent's representatives and agents with full access to the Property to take and complete corrective action.

2.4.2 Mediation. If the parties negotiate, but do not resolve the Claim through negotiation within one-hundred twenty (120) days from the date of the Notice (or within such other period as may be agreed on by the parties), Claimant will have thirty (30) additional days within which to submit the Claim to mediation under the auspices of a mediation center or individual mediator on which the parties mutually agree. The mediator must have at least five (5) years of experience serving as a mediator and must have technical knowledge or expertise appropriate to the subject matter of the Claim. If Claimant does not submit the Claim to mediation within the 30-day period, Respondent will submit the Claim to mediation in accordance with this Section.

2.4.3 Termination of Mediation. If the Parties do not settle the Claim within thirty (30) days after submission to mediation, or within a time deemed reasonable by the mediator, the mediator will issue a notice of termination of the mediation proceedings indicating that the Parties are at an impasse and the date that mediation was terminated. Thereafter, if the Association is the Claimant, it shall provide a report of the mediation to the Members of the Association, which such report shall provide the last best offer made by the Respondent, the last best offer by the Association, and the reason the Association did not accept the offer made by the Respondent. After such report is provided to the Members, the Board shall call a special meeting of the Members, at which special meeting the Members shall vote on whether to accept the last, best offer by the Respondent. If a Majority of the Members in attendance at the special meeting vote to accept the Respondent's last, best offer, the Board shall accept the Respondent's last, best offer and shall dismiss the Claim. Claimant may file suit or initiate arbitration proceedings on the Claim, as appropriate and permitted by this Article.

2.4.4 Binding Arbitration - Claims. All Claims must be settled by binding arbitration. Claimant or Respondent may, by summary proceedings (e.g., a plea in abatement or motion to stay further proceedings), bring an action in court to compel arbitration of any Claim not referred to arbitration as required by this Article.

2.4.5 Governing Rules. If a Claim has not been resolved after Mediation as required by this Article, the Claim will be resolved by binding arbitration in accordance with the terms of this Section and the rules and procedures of the American Arbitration Association ("AAA") or, if the AAA is unable or unwilling to act as the arbitrator, then the arbitration shall be conducted by another neutral reputable arbitration service selected by Respondent. Regardless of what entity or person is acting as the arbitrator, the arbitration shall be conducted in accordance with the AAA's "Construction Industry Dispute Resolution Procedures" and, if they apply to the disagreement, the rules contained in the Supplementary Procedures for Consumer-Related Disputes. If such Rules have changed or been renamed by the time a disagreement arises, then the successor rules will apply. Also, despite the choice of rules governing the arbitration of any Claim, if the AAA has, by the time of Claim, identified different rules that would specifically apply to the Claim, then those rules will apply instead of the rules identified above. In the event of any inconsistency between any such applicable rules and this Section, this Section will control. Judgment upon the award rendered by the arbitrator shall be binding and not subject to appeal but may be reduced to judgment in any court having jurisdiction. Notwithstanding any provision to the contrary or any applicable rules for arbitration, any arbitration with respect to Claims arising hereunder shall be conducted by a panel of three (3) arbitrators, to be chosen as follows:

2.4.5.1 Exceptions to Arbitration: Preservation of Remedies. No provision of, nor the exercise of any rights under, this Section will limit the right of Claimant or Respondent, and Claimant and the Respondent will have the right during any Claim, to seek, use, and employ ancillary or preliminary remedies, judicial or otherwise, for the purposes of realizing upon, preserving, or protecting upon any property, real or personal, that is involved in a Claim, including, without limitation, rights and remedies relating to: (i) exercising self-help remedies (including set-off rights); or (ii) obtaining provisions or ancillary remedies such as injunctive relief, sequestration, attachment, garnishment, or the appointment of a receiver from a court having jurisdiction before, during, or after the pendency of any arbitration. The institution and maintenance of an action for judicial relief or pursuit of provisional or ancillary remedies or exercise of self-help remedies shall not constitute a waiver of the right of any party to submit the Claim to arbitration nor render inapplicable the compulsory arbitration provisions hereof.

2.4.5.2 Statute of Limitations. All statutes of limitations that would otherwise be applicable shall apply to any arbitration proceeding under this Section, and to the fullest extent allowed under law, any action, lawsuit and/or claim whatsoever initiated by the Association or its assigns, regardless of form, that arises from or relates to this Declaration, the Property, the Subdivision, the Improvements or otherwise is barred unless it is brought not later than two (2) years and one (1) day from the date the cause of action accrues.

2.4.5.3 Scope of Award; Modification or Vacation of Award. The arbitrator shall resolve all Claims in accordance with the applicable substantive law except as provided by this Section. The arbitrator may grant any remedy or relief that the arbitrator deem just and equitable and within the scope of this Section but subject to Allocation of Costs below (attorney's fees and costs may not be awarded); provided, however, that for a Claim, or any portion of a Claim governed by Chapter 27 of the Texas Property Code, or any successor statute, in no event shall the arbitrator award damages which exceed the damages a Claimant would be entitled to under Chapter 27 of the Texas Property Code. In all arbitration proceedings the arbitrator shall make specific, written findings of fact and conclusions of law. In all arbitration proceedings the parties shall have the right to seek vacation or modification of any award that is based in whole, or in part, on (i) factual findings that have no legally or factually sufficient evidence, as those terms are defined in Texas law; (ii) conclusions of law that are erroneous; (iii) an error of federal or state law; or (iv) a cause of action or remedy not expressly provided under existing state or federal law or otherwise in accordance with the terms and conditions of this Declaration. In no event may an arbitrator award speculative, consequential, special, indirect, lost profit or punitive damages for any Claim. Notwithstanding anything else contained in this Declaration, no Claimant shall be entitled to an award in connection with a Claim related to or arising in connection with a violation of Applicable Law, and the arbitrator shall not provide an award, unless the arbitrator determines that such Claim was due to a material violation of any Applicable Law and that such material violation of Applicable Law creates an imminent threat to health and safety.

2.4.5.4 Other Matters. To the maximum extent practicable, an arbitration proceeding hereunder shall be concluded within one hundred and eighty (180) days of the filing of the Claim for arbitration by notice from either party to the other. Arbitration proceedings hereunder shall be conducted in the county where the Property is located. The arbitrator shall be empowered to impose sanctions and to take such other actions as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the Texas

Rules of Civil Procedure and applicable law. The arbitrator shall have the power to award recovery of all costs and fees (including attorney's fees, administrative fees, and arbitrator's fees) to the prevailing party. Each party agrees to keep all Claims and arbitration proceedings strictly confidential, except for disclosures of information required in the ordinary course of business of the parties or by applicable law or regulation. In no event shall any party discuss with the news media or grant any interviews with the news media regarding a Claim or issue any press release regarding any Claim without the written consent of the other parties to the Claim.

2.4.5.5 Allocation of Costs. Notwithstanding any provision in this Declaration to the contrary, each Party bears all of its own costs incurred prior to and during the proceedings described in the Notice, Negotiation, Mediation, and Arbitration sections above, including its attorney's fees. For avoidance of doubt, the prevailing party in any Arbitration shall not recover any attorneys' fees, expenses, or costs. Respondent and Claimant will equally divide all expenses and fees charged by the mediator and arbitrator.

2.4.5.6 General Provisions. A release or discharge of Respondent from liability to Claimant on account of the Claim does not release Respondent from liability to persons who are not party to Claimant's Claim.

2.4.5.7 Period of Limitation.

(a) For Actions by an Owner. The exclusive period of limitation for any of the Parties to bring any Claim, including, but not limited to, a Claim related to the design or construction of Improvements on the Common Areas, Lots, or Parcels shall be no later than two (2) years and one (1) day from the date that the Owner discovered or reasonably should have discovered evidence of the Claim.

(b) For Actions by the Association. The exclusive period of limitation for the Association to bring any Claim, including, but not limited to, a Claim related to the design or construction of Improvements on the Common Areas or Lots, shall be no later than two (2) years and one (1) day from the date that the Association or its agents discovered or reasonably should have discovered evidence of the Claim.

2.5 Approval and Settlement. The Association must levy a Special Assessment to fund the estimated costs of arbitration, including estimated attorney's fees, conducted pursuant to the above Article or any judicial action initiated by the Association. The Association may not use its annual operating income or reserve funds or savings to fund arbitration or litigation, unless the Association's annual budget or a savings account was established and funded from its inception as an arbitration and litigation reserve fund.

2.6 LIMITATION ON DAMAGES. NOTWITHSTANDING ANY PROVISION CONTAINED IN THIS DECLARATION OR ANY OF THE ASSOCIATION DOCUMENTS TO THE CONTRARY, IN NO EVENT SHALL DECLARANT OR THE ASSOCIATION BE LIABLE FOR SPECULATIVE, CONSEQUENTIAL, SPECIAL, INDIRECT, LOST PROFIT OR PUNITIVE DAMAGES IN CONNECTION WITH ANY CLAIM, EVEN IF DUE TO THE NEGLIGENCE OF DECLARANT OR THE ASSOCIATION.

Section 3. Notices. All, notices given or required to be given by the Association to its Members or to Mortgagees shall be deemed to have actually been given if actually received and, whether or not actually received, when deposited in the United States mail, postage prepaid, and addressed to the Member or Mortgagee at his address as it appears on the books of the Association.

Section 4. Invalidation. The invalidation of any of the restrictions, covenants, easements or other provisions set forth herein, by judgment or court order or otherwise, shall in no wise affect any other restrictions, covenants, easements or provisions, which shall remain in full force and effect.

ARTICLE XIII

SPECIFIC DECLARANT RIGHTS

Section 1

1.2 Amendment. The provisions of this Article XIII may not be amended without the express written consent of Declarant (and Declarant's successors and assigns in accordance with the terms hereof).

1.3 No Duty to Annex. Nothing herein contained shall establish any duty or obligation on the part of the Declarant or any Member to annex any Adjacent Land or other property to this Declaration and no owner of the property excluded from this Declaration shall have any right to have such property annexed thereto.

1.4 Effect of Annexation on Declarant Class Status. In determining the number of Lots or Parcels owned by the Declarant for the purpose of Membership status and voting rights, the total number of Lots or Parcels covered by this Declaration and located or to be developed in such Declarant's portion of the Property, including all Lots and Parcels acquired by the Declarant and annexed thereto, shall be considered. If Declarant Status has previously lapsed but annexation of any Adjacent Land or additional property restores the ratio of Lots or Parcels owned by the Declarant to the number required such Declarant status shall be reinstated until it expires pursuant to the terms of this Declaration.

1.5 Specific Declarant Rights to Amend Declaration. During the Development Period, the Declarant may unilaterally amend this Declaration without the consent or joinder of any Member, regardless of Class, or any other party if such amendment is deemed necessary or desirable, in the Declarant's sole judgment for any purpose, including, without limitation, (i) to bring any provisions of this Declaration into compliance with any applicable governmental statute, rule, regulation or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the Lots; (iii) to enable any institutional or governmental lender, purchaser, insurer, or guarantor of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to purchase, insure, or guarantee mortgage loans on the Lots; (iv) to satisfy the requirements of any local, state or federal governmental agency; or (v) to correct or clarify errors, omissions, mistakes or ambiguities contained herein, or any reason deemed to be necessary and appropriate by the

Declarant. No amendment pursuant to this paragraph, however, shall adversely affect the title to any Lot unless the Owner affected thereby shall consent in writing.

1.6 Easement/Access Right. The Declarant reserves a general easement over all streets, roads, rights of way, utility, maintenance, landscaping, wall and other easements in the Property and over the Common Area as reasonably necessary for access for the purpose of finishing development of the Property as a subdivision and as otherwise reasonably necessary to affect each Declarant's rights hereunder. Such easements and rights shall expire upon expiration of the Development Period.

1.7 Assignment of Declarant Rights. The Declarant may assign its rights to a successor Declarant hereunder by execution of a written document, recorded in the Official Public Records of Denton County, Texas, expressly and specifically stating that such Declarant has assigned its rights as such to a designated assignee and declaring such assignee to be a new "Declarant" hereunder. No Person purchasing or otherwise acquiring one (1) or more Lots or Parcels shall be considered "Declarant" hereunder, unless Declarant makes an express and specific assignment referenced in and accordance with the terms of the immediately preceding sentence or except in the event of an involuntary disposition of all or any part of the Land owned by Declarant prior to completion of development of the Land as a residential community.

1.8 Declarant's Right to Install Improvements in Setback and Other Areas. The Declarant, in connection with development of the Property and construction of thereon, reserves the right, but shall have no obligation, to install or construct walls, fences, irrigation systems and other improvements in the setback areas (being the area on, along and/or between the boundary line of a Lot and the building or setback lines applicable to such Lot). If the Declarant exercises such right in a setback area, then such wall, fence, irrigation system, or other improvement shall be the property of the Owner(s) of the Lot(s) or Parcel(s) adjacent to such improvements or upon which such improvements are located, and such Owner(s) shall maintain and repair any such improvement unless the applicable Declarant or the Association, by and through the Board, shall advise the Owner(s) in writing of its intent to assume such maintenance and repair obligations. If the Declarant exercises such above-described right in the non-setback areas, then such wall, fence, irrigation system, or other improvement shall be the property of the Association. During the Development Period, the Declarant shall have the right, but not the obligation, to maintain and repair any such non-setback area improvements located on such Declarant's portion of the Property; otherwise, the Association shall assume the maintenance and repair or it may abandon such improvements at its discretion. If the City requires the maintenance, repair, or removal of any such non-setback area improvements, the Association shall assume such responsibility at its expense. If the Association so abandons such non-setback area improvements or is properly dissolved, then the Owner(s) of the Lot(s) adjacent to such improvements or on which such improvements are located shall assume maintenance and repair at its expense.

1.9 Replatting or Modification of Plat. From time to time, the Declarant reserves the right to replat its Property or to amend or modify the Plat in order to assure harmonious and orderly development of the Property as herein provided. The Declarant may exercise such rights at any time during the Development Period and no joinder of any other Owner shall be required to give effect to such rights, each Owner consenting to the Declarant's execution of any replat on such Owner's behalf. However, any such replatting or amendment of the Plat shall be with

the purpose of efficiently and economically developing the Property for the purposes herein provided or for compliance with any applicable governmental regulation. The Declarant's rights under this Section shall expire upon expiration of the Development Period.

1.10 Limitation of Declarants' Liability. The Declarant shall not be responsible or liable for any deficit in the Association's funds. The Declarant may, but is under no obligation to, subsidize any liabilities incurred by the Association, and the Declarant may, but is not obligated to, lend funds to the Association to enable it to defray its expenses, provided the terms of such loans are on reasonable market conditions at the time.

1.11 Termination of the Declarant's Responsibilities. In consideration of the Declarant's deficit funding of the Association, if any, upon the occurrence of any of the following events: (i) conversion of the Declarant's membership to a Class other than Declarant Voting Class for all Lots or Parcels owned by Declarant; or (ii) assignment of the Declarant's rights; or (iii) expiration of the Declarant Period, then and in such event the Declarant shall be fully released, relieved and forever discharged from any further duty or obligation to the Association or any of its members as the Declarant by reason of the terms and conditions of this Declaration including any amendments thereof or supplements thereto, save and except the duties and obligations, if any, of the Declarant as a Class A, Class B, or Class C member by reason of the Declarant's continued ownership of one or more Lots or Parcels, but not otherwise. Further, and without regard to whether or not the Declarant has been released from obligations and duties to the Association, during the Development Period or so long as the Declarant holds record title to at least one (1) Lot or Parcel and holds same for sale in the ordinary course of business, neither the Association nor its Board, nor any member of the Association shall take any action that will impair or adversely affect the rights of the Declarant or cause the Declarant to suffer any financial, legal or other detriment, including but not limited to, any direct or indirect interference with the sale of Lots. In the event there is a breach of this Section, it is acknowledged that any monetary award which may be available would be an insufficient remedy and therefore, in addition to all other remedies, the Declarant shall be entitled to injunctive relief restraining the Association, its Board or any member of the Association from further breach of this Section.

Section 2. Right to Assign. Declarant may assign its rights and obligations hereunder by a written document recorded in the Deed Records of Denton County, Texas. Declarant may assign its rights and obligations hereunder with respect to portions of the Parcels without assigning such rights and obligations with respect to other portions of the Parcels. Upon the assumption of the obligations herein contained (or any part thereof) by any assignee as evidenced by a written document recorded in the Deed Records of Denton County, Texas, the obligations of Prime Development Partners, LLC, hereunder so assigned shall cease and terminate. Upon such assignment or conveyance being made, the assignees or grantees may, at their option, exercise, transfer or assign such rights, reservations, easements and privileges or any one or more of them at any time or times in the same way and manner as the Declarant.

Section 3. Duration and Amendment. Any change or modification of the terms of this Declaration, the Articles of Incorporation, or the bylaws for the Association shall be effective only if approved by the Declarant during the Declarant Control Period and thereafter, by a majority vote of the Membership present in person or proxy at a meeting called for that purpose, unless such change or modification places additional burden on Parcel C or the Class C Membership, or

places additional restrictions on the use and enjoyment of Parcel C, or removes rights otherwise benefitting Parcel C or the Class C Membership, in which case the consent of the Class C Owner or membership shall be required. Any such termination, modification or amendment shall be filed of record in the Denton County Deed Records promptly when executed.

Section 4. Governing Law. This Declaration shall be governed by and construed in accordance with the laws of the State of Texas, without giving effect to principles of conflicts of law.

Section 5. Liberal interpretation. This Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the Parcels.

[SIGNATURE PAGE FOLLOWS THIS PAGE]

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed and delivered by a person duly authorized thereunto as of the day and year first above written.

PRIME DEVELOPMENT PARTNERS, LLC, a Nevada limited liability company.

By:

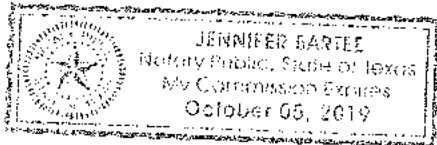
[Handwritten Signature]

Dave Wilcox, Vice President

STATE OF TEXAS §
 §
COUNTY OF Dallas §

This instrument was acknowledged before me on the 13th day of August, 2018, by Dave Wilcox, Dave Wilcox, Vice President of Prime Development, Partners, LLC, a Nevada limited liability company on behalf of said company.

[seal]



[Handwritten Signature]

Notary Public, State of Texas
My Notary expires 10/5/19


Oakdale Homes does hereby acknowledge and affirm this Amended and Restated Covenants, Conditions and Restrictions on behalf of Frisco/Park West Homeowners Association, Inc.

Oakdale Homes does hereby acknowledge and affirm this Amended and Restated Covenants, Conditions and Restrictions on behalf of Frisco/Park West Homeowners Association, Inc.

OAKDALE HOMES:

AVH DFW, LLC, an Arizona limited liability company
d/b/a Oakdale Homes

By:

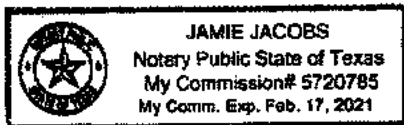

Larry Craven, Division President

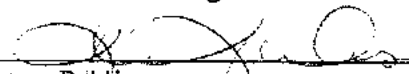
STATE OF TEXAS §
 §
COUNTY OF Collin §

Before me, Jamie Jacobs, a Notary Public, on this day personally appeared Larry Craven, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same on behalf of Oakdale Homes, a Builder within the Frisco/Park West Homeowners Association for the purposes and consideration therein expressed.

Given under my hand and seal of office this 26 day of June, 2018.

[SEAL]




Notary Public
Jamie Jacobs
Printed name of Notary

My Commission Expires: 2/17/2021

Exhibit "A"

Frisco/Park West Property Owners Association, Inc.

Property Description

PARCEL A

Lots 1-12, Block A, Lots 1-25, Block B, Lots 1-45, Block C, Lots 1-23, Block D, Lots 1-12, Block E, Lots 1-14, Block F, Lots 1-3, Block G, Park West, an addition to the City of Frisco, Denton County, Texas, according to the map or plat thereof recorded under Clerk's File No, 2018-141, Amended Plat Records, Denton County, Texas.

SAVE AND EXCEPT THE FOLLOWING DESCRIBED LAND:

Lot 20, Block D, Park West, an addition to the City of Frisco, Denton County, Texas, according to the map or plat thereof recorded under Clerk's File No, 2018-141, Plat Records, Denton County, Texas.

PARCEL B

Lot 2R, Block. A, Revised Conveyance Plat Park West, an addition to the City of Frisco, Denton County, Texas, according to the map or plat thereof recorded under Clerk's File No. 2018-141, Plat Records, Denton, County, Texas.

PARCEL C

Lot 3, Block A, Revised Conveyance Plat Park West, an addition to the City of Frisco, Denton County, Texas, according to the map or plat thereof recorded under Clerk's File No, 2017-373, Plat Records of Denton, County, Texas.

Exhibit "B"

Frisco/Park West Property Owners Association, Inc.

**Common Area Tract, consisting of approximately 5.27 acres generally shown as Block D, Lot 22
"Open Space Drainage and Detention Hike and Bike Trail"**

EXHIBIT C
TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
FRISCO/PARK WEST SINGLE-FAMILY LOTS

DESIGN GUIDELINES

The following Property Use and Design Guidelines shall apply to Parcel A (the "Single-Family Lots") further described as follows: Lots 1-12, Block A, Lots 1-25, Block B, Lots 1-45, Block C, Lots 1-23, Block D, Lots 1-12, Block E, Lots 1-14, Block F, Lots 1-3, Block G, save and except Lot 20, Block D.

Architectural control and design for Parcel B and Parcel C shall be at the sole discretion of the Declarant during the Declarant Control Period. The Association shall have no governing rule or authority over the architectural design of any building, structure, element, or improvement to be located on Parcel B or Parcel C during the Declarant Control Period. The Association or its Members shall have no veto rights with regard to architectural standards for Parcel B or Parcel C during the Declarant Control Period. Notwithstanding, after initial construction for Parcel B and/or Parcel C is complete the Declarant and thereafter the Association may subject Owners of Parcel B and/or Parcel C to certain covenants and restrictions for the maintenance and upkeep of the buildings and grounds and may issue violations and/or fines for non-compliance including exercising self-help if needed and all costs and expenses being levied against the Parcel Owner's account.

ACC APPROVAL REQUIRED:

No construction or installation of any improvements of any kind shall be allowed within the property described as Parcel A without prior approval of the Architectural Control Committee ("ACC"). The Declarant, and thereafter, the Architectural Control Committee shall have the right to amend the Design Guidelines at any time and from time to time as deemed necessary or appropriate. The Declarant, during the Declarant Control Period, may issue a variance of any kind at any time and from time to time at the Declarant's sole discretion. No Board, Committee, or Member may veto or attempt a veto of a variance given by the Declarant.

Condition: All lots and landscaping shall be maintained in an attractive and orderly manner at all times. At no time shall an owner of a lot allow trash, debris, or other unsafe or unsightly condition to exist upon any lot within the Subdivision. In the event such a condition is observed to exist, the Association may provide notice to such lot owner of a violation. Should the violation persist for more than ten (10) days following such notice, the Association may enter upon, and/or cause an appropriate contractor to enter upon, any lot to remedy the violation. In this instance, the owner of such lot shall be responsible for the costs and expenses

incurred by the Association for such remedy as well as a Fine for non-compliance.

PART ONE: LANDSCAPING, FENCES AND EXTERIOR ELEMENTS

Upon completion of each residence, each residence within Parcel A must comply with the landscaping requirements of any applicable City of Frisco ordinances, Association or Sub-Association rules. Notwithstanding compliance with the applicable City of Frisco ordinances, the following landscape elements shall be installed prior to full completion and occupancy of the residence:

SECTION 1.1 LANDSCAPING:

1.1.1 Sod: Each Dwelling shall have full sod installed for the entire front and rear side yards and a minimum of ten (10) feet back from the front wall face for each side yard, or to the side yard fence, whichever is greater.

1.1.2 Trees: A minimum of two (2) canopy trees with a minimum caliper of three and one-half inches (3-1/2"), measured at a point six (6) inches above ground level and twelve (12) feet in height at the time of planting shall be located in the front yard of all Lots. Each Owner shall be responsible for maintenance and preservation of tree(s) located on their property and shall promptly replace dead trees with the same or like kind within thirty (30) days of loss when favorable weather and planting conditions exist or otherwise within ninety (90) days of loss of occurrence when unfavorable weather and planting conditions exist.

1.1.3 Shrubbery and Planting Beds: Each dwelling shall have a minimum of ten (10) one-gallon shrubs planted in a mulched planting bed; the planting bed shall have edging materials to separate the sod and bed mulched areas. The Owner shall be responsible for the maintenance and preservation of the shrubs and planting beds and shall promptly replace dead plants with the same or like kind within thirty (30) days of loss when favorable weather and planting conditions exist or otherwise within ninety (90) days of loss of occurrence when unfavorable weather and planting conditions exist.

SECTION 1.2 FENCES:

1.2.1 Major Thoroughfares and Corner Lots: Portions of a fence that face a major thoroughfare or situated on a Corner Lot will be considered major thoroughfare fencing. Residences facing the street or major thoroughfare require a four (4) foot ornamental iron fence placed between each residence and must be located at least five (5) feet behind the front facade, excluding front porches, with a single gate. Corner lots require a six-foot (6') ornamental iron fence and must be located at least ten (10) feet behind the front facade, excluding front porches, extending the length of the side yard and terminating the fence at the rear corner of the residence.

Side yards adjacent to an alley or any fence facing the alley will be cedar wood, board-on-board, with a 1 x 6 top and bottom rail and 2 x 8 cap, stained with a Seal Rite Medium Brown. Steel posts mounted on the inside so as not to be visible are required. The smooth side of the fence must always be facing outward.

1.2.2 Fencing must be kept in good repair at all times. Broken or missing pickets or panels must be promptly repaired or replaced. All leaning or fallen panels must be up righted, repaired or replaced. Partial fencing is not allowed. Fencing must be routinely stained and kept aesthetically pleasing at all times.

1.2.3 Greenbelt Areas, Open Spaces and Parks: All lots adjacent to any Greenbelt area, Open Spaces and Parks shall comply with the City of Frisco zoning ordinances applicable to Frisco/Park West Homeowner's Association Inc. If wrought iron fencing is a requirement, the fence shall have black finished forty-eight inch (48") high wrought iron or tubular steel fences for the full width of rear lot lines as detailed in Exhibit 1.2.3.2. All fences shall be painted black using rust resistant paint and be consistent with no variation of design permitted. Fence areas shall be unobstructed by screening or other materials unless specifically approved by the Architectural Control Committee.

1.2.4 DECLARANT, DURING THE DECLARANT CONTROL PERIOD RESERVES THE RIGHT TO APPROVE ANY VARIANCE WITH REGARD TO FENCING.

SECTION 1.3 RAIN BARRELS OR RAINWATER HARVESTING SYSTEMS:

- 1.3.1 Rain barrels or rain water harvesting systems and related system components (collectively, "Rain Barrels") may only be installed after receiving the written approval of the Reviewer.
- 1.3.2 Rain Barrels may not be installed upon or within common area of the Association.
- 1.3.3 Under no circumstances shall Rain Barrels be installed or located in or on any area within a Lot that is in-between the front of the property owner's home and an adjoining or adjacent street.
- 1.3.4 The rain barrel must be of color that is consistent with the color scheme of the property owner's home and may not contain or display any language or other content that is not typically displayed on such Rain Barrels as manufactured.
- 1.3.5 Rain Barrels may be located in the side-yard or back-yard of an owner's Residential Parcel so long as these may not be seen from a street, another Lot or any common area of the Association.

- 1.3.6 In the event the installation of Rain Barrels in the side-yard or back-yard of an owner's property in compliance with paragraph 1.3.5 above is impossible, the Reviewing Body may impose limitations or further requirements regarding the size, number and screening of Rain Barrels with the objective of screening the Rain Barrels from public view to the greatest extent possible. The owner must have sufficient area on their Lot to accommodate the Rain Barrels.
- 1.3.7 Rain Barrels must be properly maintained at all times or removed by the owner.
- 1.3.8 Rain Barrels must be enclosed or covered.
- 1.3.9 Rain Barrels which are not properly maintained become unsightly or could serve as a breeding pool for mosquitoes must be removed by the owner from the Lot.

SECTION 1.4 RELIGIOUS DISPLAYS

- 1.4.1 An owner may display or affix on the entry to the owner's or resident's dwelling one or more religious items, the display of which is motivated by the owner's or resident's sincere religious belief.
- 1.4.2 If displaying or affixing of a religious item on the entry to the owner's or resident's dwelling violates any of the following covenants, The Association may remove the item displayed:
 - (1) threatens the public health or safety;
 - (2) violates a law;
 - (3) contains language, graphics, or any display that is patently offensive to a passerby;
 - (4) is in a location other than the entry door or door frame or extends past the outer edge of the door frame of the owner's or resident's dwelling; or
 - (5) individually or in combination with each other religious item displayed or affixed on the entry door or door frame has a total size of greater than 25 square inches
- 1.4.3 No owner or resident is authorized to use a material or color for an entry door or door frame of the owner's or resident's dwelling or make an alteration to the entry door or door frame that is not authorized by the Association, Declaration or otherwise expressly approved by the Architectural Control Committee.

SECTION 1.5 VEHICLES

- 1.5.1 No vehicle containing advertising logos and/or "wrapped" graphics shall be allowed overnight within the Subdivision unless such vehicle shall be located within a garage or otherwise screened from view from any public street, alley or lot.

- 1.5.2 No vehicle shall be allowed to be kept within the subdivision if such vehicle contains an exhaust system or other device or system which allows the vehicle to produce a noise deemed by the Association to be excessive when operated.
- 1.5.3 No vehicle shall be parked or operated within the Subdivision in a manner which limits any Owner from free and unfettered access to the Owners driveway.
- 1.5.4 No vehicle which is not operable or able to be legally operated on a public roadway may be kept within the Subdivision unless such vehicle is contained entirely within a garage.
- 1.5.5 No boat, recreational vehicles, trailer, nor other recreational use vehicles or nor accessory shall be allowed overnight within the Subdivision unless located within a garage or otherwise screened from view from any public street, alley or Lot. This provision is not intended to preclude the use of trailers associated with ongoing construction or similar work within the Subdivision.
- 1.5.6 **The Association will use any towing services readily available to remove any vehicle that does not comply with the rules and regulations of the Association and any such removal will be at the Owner's sole responsibility, cost and expense.**

PART TWO: DWELLING UNITS

SECTION 2.1 ROOFS AND BANDING

- 2.1.1 **Roof Pitch:** Roof Pitch shall have a minimum of 6 in-12 slopes. Exemptions allowing lower pitch pans in areas around windows, covered porches and patios are allowed and will be reviewed for approval by the Architectural Control Committee on a case by case basis.
- 2.1.2 **Roofing Materials:** Roofing materials shall be asphalt shingles with a minimum 30-year rated shingle having a minimum weight of 220 pounds per square (100 square feet) and have a Weatherwood, Slateblend, or other approved roofing colors consistent with Architectural styles within the community. Other roofing materials shall not be used without the prior written approval from the Architectural Control Committee.
- 2.1.3 **Dormers & Above Roof Chimneys:** Dormers and Chimney Chases, above roof structure and roofing materials, may be finished with an approved exterior grade siding material. All Fireplace flues shall be enclosed and finished; exposed pre-fabricated metal flue piping is prohibited.

SECTION 2.2 CERTAIN ROOFING MATERIALS

- 2.2.1 Roofing shingles covered by this Section are exclusively those designed primarily to: (i) be wind and hail resistant; (ii) provide heating and cooling efficiencies greater than those provided by customary composite shingles; or (iii) provide solar generation capabilities (collectively, "Roofing Shingles").
- 2.2.2 Roofing Shingles allowed under this Section 2.2 shall:
- (1) resemble the shingles used or otherwise authorized for use in the community;
 - (2) be more durable than and are of equal or superior quality to the shingles used or otherwise authorized for use in the community.
 - (3) match the aesthetics of the property surrounding the property of the owner requesting permission to install the Roofing Shingles.
- 2.2.3 The owner requesting permission to install the Roofing Shingles will be solely responsible for accrediting, certifying and demonstrating to the Reviewer that the proposed installation is in full compliance with paragraphs a and b above.
- 2.2.4 Roofing Shingles shall be installed after receiving the written approval of the Reviewer.
- 2.2.5 Owners are hereby placed on notice that the installation of Roofing Materials may void or adversely affect other warranties.

SECTION 2.3 SOLAR PANELS

- 2.3.1 Solar energy devices, including any related equipment or system components (collectively, "Solar Panels") may only be installed after receiving the written approval of the Architectural Control Committee.
- 2.3.2 Solar Panels may not be installed upon or within common area or any area which is maintained by the Association.
- 2.3.3 Solar Panels may only be installed on designated locations on the roof of a home, on any structure allowed under any Association dedicatory instrument, or within any fenced rear-yard or fenced-in patio of the owner's property, but only as allowed by the Reviewer. **Solar Panels may not be installed on the front elevation of the home.**
- 2.3.4 If located on the roof of a home, Solar Panels shall:
- (1) not extend higher than or beyond the roofline;
 - (2) conform to the slope of the roof;

- (3) have a top edge that is parallel to the roofline; and
 - (4) have a frame, support bracket, or wiring that is black or painted to match the color of the roof tiles or shingles of the roof. Piping must be painted to match the surface to which it is attached, i.e. the soffit and wall. Panels must blend with the color of the roof to the greatest extent possible.
- 2.3.5 If located in the fenced rear-yard or patio, Solar Panels shall not be taller than the fence line or visible from a Lot, common area or street.
- 2.3.6 The Reviewer may deny a request for the installation of Solar Panels if it determines that the placement of the Solar Panels, as proposed by the property owner, will create an interference with the use and enjoyment of land of neighboring owners.
- 2.3.7 Owners are hereby placed on notice that the installation of Solar Panels may void or adversely affect roof warranties. Any installation of Solar Panels which voids material warranties is not permitted and will be cause for the Solar Panels to be removed by the owner.
- 2.3.8 Solar Panels must be properly maintained at all times or removed by the owner.
- 2.3.9 Solar Panels which become non-functioning or inoperable must be removed by the owner of the property.

SECTION 2.4 EXTERIOR WALLS

- 2.4.1 **Exterior Wall Materials:** Exterior side and rear walls shall be a minimum of seventy-five percent (75%) brick or other masonry and exterior-grade siding materials as approved by the Architectural Control Committee. Shake siding is not allowed without the express written consent of the Architectural Control Committee.
- 2.4.1.1 **Front Walls:** All front wall surfaces shall be full (100%) masonry, except siding may be used for hidden or concealed wall surfaces not directly visible from the lot front property line. Siding can be used in limited quantities for upper gable areas that would create a “brick-on-wood” condition; this provision is for special conditions only and is not intended to reduce the essential 100% masonry requirement. Approval of the use of this provision is at the sole discretion of the Architectural Control Committee or the City of Frisco.
- 2.4.1.2 **Side Walls:** Side wall surfaces may be constructed using a mixture of brick and exterior-grade siding as required to comply with the minimum seventy five percent (75%) masonry overall requirement.

2.4.1.3 **Rear Walls:** Rear wall surfaces of the first floor may be constructed using a mixture of brick and exterior-grade siding as required to comply with the minimum seventy five percent (75%) masonry overall requirement; second floor wall surfaces may be exterior-grade siding materials.

2.4.1.4 **Chimneys:** Chimney wall structures that are a direct extension of an exterior wall shall match the requirement of said wall.

2.4.1.5 Required masonry percentages shall be calculated excluding exterior wall areas built on top of a roof.

SECTION 2.5 WINDOWS

2.5.1 Windows shall be constructed of vinyl, divided light on all front windows, divided light on all windows backing siding collectors, parks or open spaces. Reflective glass is prohibited.

SECTION 2.6 GARAGE

2.6.1 Garage Doors shall be constructed of metal or wood and shall match the aesthetics of the exterior of the Residence. Garage doors must be kept closed when not in use and maintained in good repair at all times. No carports or accessory structures shall be allowed.

SECTION 2.7 DRIVEWAYS

2.7.1 All driveways shall be surfaced with concrete and shall be accessible only from the alleys. No driveways may access the streets. No extending or widening of the driveway is allowed without the prior written approval of the Architectural Control Committee. No painting or staining of the driveway is allowed without the prior written approval of the Architectural Control Committee. No mechanic work is allowed on driveways, no storage is allowed on driveways with the exception of materials and supplies for temporary construction projects which have received the prior written approval of the Architectural Control Committee. Materials shall be kept neat and removed from the driveway for use within ten (10) days or less notwithstanding, this rule excludes Builders during new construction.

SECTION 2.8 ADDRESS BLOCKS

2.8.1 All address blocks shall be cast stone.

SECTION 2.9 ELEVATION AND BRICK USAGE

2.9.1 Same Plan with Same Elevation: The repeat of the same floor plan with the same elevation design shall be governed by the following provisions:

2.9.1.1 Dwelling units using the same floor plan and same elevation on the same side of the street shall be separated by a minimum of two (2) lots. A one (1) Lot separation will be permitted when a street intersection occurs, the street right-of-way serves as a Lot equivalent. Dwelling units using the same floor plan and same elevation for the opposite side of street shall not be constructed directly across from each other.

2.9.1.2 Repeat Brick Usage: All Dwelling submittals shall calculate the percentage coverage for each material as follows:

2.9.1.3 Same Side of Street: No combination of brick color, mortar color, and sand color shall be repeated for adjacent dwellings. Street and alley intersections are acceptable separation elements.

2.9.1.4 Opposite Side of Street: There are no restrictions for the use of brick color, mortar color, and sand color for dwelling units on opposing sides of the street.

2.9.2 Exterior Material Area Calculations: All Dwelling submittals shall calculate the percentage coverage for each material as follows:

2.9.2.1 Calculation Method: Calculations for material coverage percentages shall include all exposed areas of the wall surface, excluding window and door openings.

2.9.2.2 Calculation Format: Calculations shall indicate the area coverage for front, side, and rear wall areas. Calculations shall be submitted in the following format:

Brick Calculations

Overall	
Total Wall Area	0 sf
Total Brick Area	0 sf
Total Brick Percentage	0%
Front	
Total Wall Area	0 sf
Total Brick Area	0 sf
Total Brick Percentage	0%
Left	
Total Wall Area	0 sf

Total Brick Area	0 sf
Total Brick Percentage	0%
<i>Right</i>	
Total Wall Area	0 sf
Total Brick Area	0 sf
Total Brick Percentage	0%
<i>Rear</i>	
Total Wall Area	0 sf
Total Brick Area	0 sf
Total Brick Percentage	0%

** Openings removed from areas in all calculations

SECTION 2.10 MINIMUM FLOOR AREA

2.10.1 The total air-conditioned living area of the main residential structure constructed on each Lot, as measured to the outside of exterior walls but exclusive of open porches, garages, patios and detached accessory buildings, shall not be less than 1,800 square feet and shall be in accordance with the City of Frisco Zoning and Subdivision Regulations.

SECTION 2.11 HARMONIOUS ACTIVITY

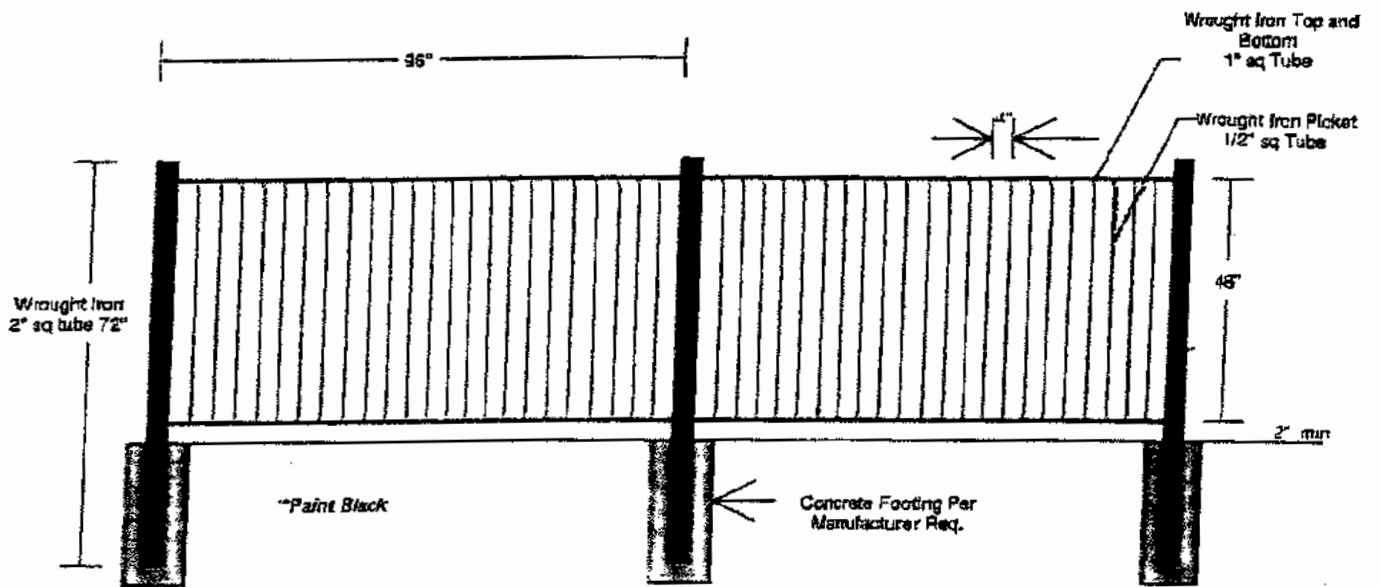
2.11.1 At no point shall a resident or guest within the Subdivision engage in any activity which jeopardizes the safety, security, or reasonable right to enjoyment of any other resident or guest within the Subdivision. Fireworks or any form of pyrotechnical merchandise are strictly prohibited.

SECTION 2.12 MAILBOXES

2.12.1 Mailboxes shall be cluster mailboxes and shall be located in an area(s) as mutually agreed upon by the Declarant, Developer, and U.S. Postal Service. Any maintenance or repair needed for cluster mailboxes shall be a Special Group Assessment shared proportionately among the Owners served by the group of mailboxes undergoing maintenance or repair. The Association does not maintain the keys for cluster mailboxes. Owner is responsible for obtaining the key from the builder or the sales representative at the time of purchase.

EXHIBIT ATTACHMENT 1.2.3.2

Iron Fence Detail



Attachment: 1.2.3.2